

The NATIONAL UNDERWRITER

Life Insurance Edition



Extra Checks

THAT KEEP ON COMING...

The extra compensation that many Mutual Life Field Underwriters are receiving every month is a welcome addition to their regular commissions and service fees. It is the "Efficiency Income" part of their five-point Lifetime Compensation contract. It rewards them for the *quality* of their business and enables them to earn more while maintaining a level volume of production.

We can afford to give our career men this incentive because quality business cuts down our costs. They share in that saving in amounts that increase through

the years, proportionate to the life of the policies. Recent payments have added as much as two and three hundred dollars to Underwriters' normal monthly income.

We believe that good selection at the source is the backbone of good underwriting. It is common sense to offer the Underwriter positive encouragement to obtain policies that can be handled efficiently and are likely to remain in force. Our reduced expenses and his increased earnings are reflected in better service to the policyholder.

Our 2nd Century of Service

THE MUTUAL LIFE

INSURANCE COMPANY of NEW YORK

34 NASSAU STREET



NEW YORK 5, N. Y.

FRIDAY, MAY 20, 1949

Quality Service



for your SURPLUS LINE BUSINESS

Since the Phoenix Mutual extended and improved its facilities for handling Surplus Line business, together with increasing the compensation, premiums on this type of business and the resulting commissions have shown important gains.

Here are some of the reasons for this increase:

1. **ATTRACTIVE FIRST YEAR COMMISSIONS.** Graded scale up to 55% for Ordinary Life.
2. **HIGH RENEWAL RATES** in the early years *before* lapses and claims can have maximum effect.
3. **CHOICE OF RENEWAL METHODS** — one designed to pay extra compensation for quality business — the other to compress renewals into three years of larger commissions.
4. **VERY WIDE COVERAGE.** Phoenix Mutual policies are most liberal. Dividends are paid the first year. Disability coverage and Double Indemnity

are available. Choice of policy forms (that may include new Family Income and Double Family Income provisions) extends from a full line of Retirement Income Plans to Term.

5. WELL KNOWN COMPANY. A nationally advertised institution, the Phoenix Mutual is a trade name which has been a symbol of sound life insurance for nearly a century.

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You will find it very much to your advantage to inquire about Phoenix Mutual's new commission contracts for surplus line agents. To get the facts, phone the nearest branch office of the company, or write at once to the Home Office in Hartford, Connecticut.

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Harrington New President of H. & A. Conference

**E. J. Faulkner, Woodmen
Accident, Put in Line
for Next Year**

With a registration of close to 400, making it the largest convention ever held by the organization, H. & A. Underwriters Conference at its annual meeting at the Edgewater Beach Hotel, Chicago, this week was able to point to a year of especial accomplishments, despite the handicap imposed by the death in the middle of the year of Harold R. Gordon, managing director, who had been its guiding force for so many years. Membership of 142 also sets a new high. C. O. Pauley, who took over as managing director April 1, was given an ovation on his first appearance in that capacity. His many years of service al-

NEW OFFICERS ELECTED

President — Frank L. Harrington, Massachusetts Protective.
Chairman executive committee — E. J. Faulkner, Woodmen Accident.
First vice-president — W. Franklyn White, Mutual Benefit Life.
Second vice-president — J. Eugene Taylor, National Life & Accident.
Executive committee — V. J. Skutt, Mutual Benefit H. & A.; Travis T. Wallace, Great American Reserve; Robert Neal, North American Accident; D. B. Alport, Business Men's Assurance.

ready had made him one of the most popular and highly regarded members of the conference. Both he and President V. J. Skutt paid high tribute to the members of the conference headquarters staff for the way in which they have kept things going and after Mr. Pauley gave his own report, he called John P. Hanna, associate managing director; Billedward Howland, statistician; James R. Williams, editor, and Marie Meade, executive secretary, to the platform to give their reports.

Harrington Takes Helm

Mr. Skutt, recently named president of Mutual Benefit H. & A., who has guided the organization successfully through a difficult year, filled with many problems for the business as well as for the conference itself, was succeeded by Frank L. Harrington, president of Massachusetts Protective, long regarded as one of the standbys of the organization and chairman of the executive committee the past year. E. J. Faulkner, president of Woodmen Accident, is the chairman of the executive committee, thus being placed in line for the presidency next year.

The subject of compulsory health insurance was strongly to the fore, of course, in all the speeches and reports and a resolution was adopted placing the conference on record "against any form of compulsory disability or medical care insurance or any system of political medicine designed for national bureaucratic control."

Private industry is adequately fulfilling the needs of the public for A. & H.

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NALU Counsel Talk with NLRB Staff on Proposed Pact

WASHINGTON—Paul Styles, national labor relations board regional director at Atlanta, and two attorneys representing the National Assn. of Life Underwriters in the Nola Patterson case, conferred here this week with officials of the board's general counsel's office. Changes in a proposed agreement were discussed. The agreement would define N.A.L.U.'s area of activity along lines that would remove any question of conflict with the national labor relations law. If such an agreement were reached between the N.A.L.U. and the NLRB the charges brought by Mrs. Patterson would be dismissed and no complaint would be issued against the defendants, which include nearly 200 life companies and company associations.

Fulton Heads LIA Probe Committee; Name 2 Other Units

Life Insurance Assn. of America has appointed three new committees. One will deal with the proposed Congressional investigation of the life insurance industry, and the others budgets and relationships with other organizations.

Committees and their members are: Investigation, James A. Fulton, president Home Life of New York, chairman; Robert E. Henley, president Life of Virginia; Leroy A. Lincoln, president Metropolitan Life; Carrol M. Shanks, president Prudential; Frazar B. Wilde, president Connecticut General. Relationships with other organizations, James A. McLain, president Guardian Life, chairman; George A. White, president State Mutual Life, and Mr. Wilde.

Budget, M. Albert Linton, president Provident Mutual, chairman; Morton Boyd, president Commonwealth Life, and Mr. Shanks.

Ard Heads Slate of N. Y. Association

NEW YORK—The slate of officers for the coming year presented at this week's meeting of the New York City Life Underwriters Assn. had Harry Ard, supervisor Connecticut General, for president to succeed Benjamin D. Salinger, general agent Mutual Benefit Life. The elections will take place at the annual meeting June 9.

Other officers selected by the nominating committee, include Howard Eaton, agent Northwestern Mutual, vice-president; John H. Evans, manager Home Life of New York, public relations vice-president; Sarah Lewinson, agent Massachusetts Mutual, education vice-president; Louis W. Sechtman, general agent Aetna Life, treasurer.

Seven agents and two managers were nominated for three-year positions on the board. Agents are Harold Baird, Northwestern Mutual, Samuel Glass, Equitable Society, John T. Scott, Penn Mutual, Mark Muller, Phoenix Mutual, and Preston Schwartz, Guardian Life. The managers are Thomas O'Hara, Metropolitan, and Vera Sundelson, Equitable Society.

The meeting featured an analysis and a discussion of the sales possibilities of the state temporary disability law.

April Total and Ordinary Sales Are Down 2%

Life insurance sales in April totaled \$1,852,000,000, according to L.I.A.M.A., down 2% from April a year ago. Ordinary production was \$1,256,000,000, down 2%; group \$182,000,000, down 14%; and industrial \$414,000,000, up 5%.

Total production for the first four months was \$7,608,000,000, up 4% from 1948's same period. Ordinary was \$4,865,000,000, down 2%; group \$1,164,000,000, up 39%; and industrial \$1,579,000,000, up 6%.

Pacific Mutual Puts Up Salem Shopping Center

LOS ANGELES — Pacific Mutual Life has purchased two square blocks in the center of Salem, Ore., and is erecting an ultra-modern shopping district to be known as "Capitol Shopping Center."

Units thus far completed feature innovations such as electronic-eye door openers and cellophane-wrap purchases. Structural beauty and functional efficiency are commensurate with the surrounding newly erected state capitol building.

Plans for similar "shopping center" projects in other west coast cities are in the making.

Fidelity Mutual Names Buckley at Rochester, N. Y.

Fidelity Mutual has appointed Thomas C. T. Buckley as general agent in Rochester, N. Y. Since 1946, he has been an agent of Northwestern Mutual in Rochester, and has been a supervisor for the two years.

After graduation from Harvard in 1932, Mr. Buckley was a dog driver on the second Byrd Antarctic expedition. He spent the next six years teaching in secondary schools and in advanced study. In 1937 he was awarded a master's degree from Harvard. An army veteran, Mr. Buckley holds the Silver Star and Purple Heart.

Pacific Actuarial Club Meets

Pacific States Actuarial Club met for their spring session at Del Monte, with agents to discuss problems of mutual interest. Among the topics were: procedures adopted to reduce expenses, methods to improve persistency and current experiences relating to underwriting, including non-medically, juvenile risks and dependent women.

New Mich. Legislation

LANSING—The Michigan legislature has passed a bill liberalizing the writing of juvenile insurance by fraternal. Another successful measure reduces the required reserves for life companies writing group to \$100,000. Also passed was a bill to permit writing of additional types of A. & H. blanket contracts, including summer camps.

Certificates Presented at L. A.

Quality award certificates were presented to members of the Los Angeles Life Underwriters Assn. at a breakfast meeting. Edmund Zalinski, managing director of Life Underwriters Training Council described the course. President Gerald W. Page appointed a committee to consider installation of the course. Jack White, Prudential, presided at the meeting.

R. E. Imig NALU's Acting Executive Vice-President

**Rutherford Leaves May 31;
Successor Named to
Serve Until Oct. 1**

Richard E. Imig, agent of New York Life at Sheboygan, Wis., and trustee of the National Assn. of Life Underwriters, has been elected acting executive vice-president of that organization. Mr. Imig's election was proposed by the special committee appointed by President Clifford H. Orr to seek and to recommend to the association's board of trustees a qualified successor to



James E. Rutherford, who will vacate the position of executive vice-president on May 31.

At its midyear meeting in Miami Beach in March the N.A.L.U. board empowered the special committee, in the event that it was unable to recommend a permanent successor to Mr. Rutherford prior to the scheduled date of his departure, to recommend an acting executive vice-president to serve to Oct. 1. and authorized the executive committee to elect him. The special committee was composed of Clancy D. Connell, Provident Mutual, New York City, past president of N.A.L.U.; Judd C. Benson, Union Central, Cincinnati, N.A.L.U. vice-president; John D. Moynahan, Metropolitan Life, Berwyn, Ill., N.A.L.U. secretary; and Harry Gardiner, John Hancock, New York City, the association's treasurer. Mr. Orr acted as chairman of the committee and Mr. Connell as vice-chairman.

Has Broad Background

Mr. Imig goes to National association headquarters with a broad background of local, state, and National association service and experience. He has held all of the offices in the Sheboygan association and the Wisconsin state association. He has served as a member of N.A.L.U.'s committees on agents, membership, and compensation. For the past two years he has headed the important committee on conservation, which has to do with the national quality award. In 1947 he was elected a trustee of the National association. Mr. Imig has served on all of the important committees of his local and state association, most recently as chairman of the Wisconsin's association's special committee to handle legislative problems, including the agents' qualification legislation. During the war he headed various veterans' affairs and war bond activities of the Sheboygan and Wisconsin associations.

Born in Sheboygan, Mr. Imig did his college work at Vanderbilt University in Nashville, where he took up life insurance selling in 1927. For the past 20 years he has represented New York Life as an agent in Sheboygan. A producer of quality and persistent business, and member of his company's production clubs, in 1946 and 1948 he was a Nylic Top Club producer. He is a life and

(CONTINUED ON PAGE 10)

Moorhead Tells How Life Companies Are Developing A. & H. Compensation Plans

How life companies are developing A. & H. compensation plans, as shown by a Life Insurance Agency Management Assn. survey, and some lessons from life company A. & H. experience were given by E. J. Moorhead, executive vice-president of United States Life in his talk at the annual meeting of the Health & Accident Underwriters conference at the Edgewater Beach hotel, Chicago.

Mr. Moorhead said that, in view of the life companies' readiness to experiment with life compensation plans, it is natural to find them equally willing to try out A. & H. compensation ideas.

Summarizing the results of a survey made by L. I. A. M. A. of A. & H. compensation plans of 28 life companies, Mr. Moorhead said that 14 of them adopted their present plan within the last five years. Only 9 of them have been using them for more than 10 years, largely because several companies have entered the A. & H. field only during the last decade.

Half Use Non-Level Plans

Half of the 28 companies use a non-level commission plan, with higher first-year than renewal commission on all or part of the A. & H. business. "I believe this proportion is higher than perhaps you would have expected," he observed.

Only a handful of the companies use the simple level, non-vested commission plan. Of those using level commissions, incentive or security benefits of various kinds are in the majority in the shape of rewards for production, persistency, length of service, vested benefits upon termination, or death, disability, or, in a few cases, retirement benefits.

Mr. Moorhead roughly classified the non-level plan into three types: Minor grading, 25% or 30% first-year, with 15% renewal; medium grading, 30% or 35% first year, with 10% renewal; major grading, 40% first-year, 10% renewal, dropping frequently in later years to 5% or even lower. The most popular of these types, he said, is the major grading.

Generally speaking, vested commissions, whenever allowed, were available for a limited period only after termination, or alternatively for an unlimited period, but at a lower rate than that payable during service.

Suggestions from Life Experience

Making it clear that he was not setting up life company practice as a model, Mr. Moorhead made several suggestions as if to a hypothetical A. & H. or casualty company whose management is just now turning the weight of its attention toward possible reconstruction of its compensation plan. The gist of these suggestions was as follows:

1. Management must decide how its men should be paid and how much they should be paid. The answers to these questions depend specifically on the kind of man wanted, the kind of relationship it is desired to develop between him and the company; the job that he is to do, the product and the sales facilities the company expects to provide him with.

If two companies have different ideas about any of these four matters, these differences ought to be reflected in their compensation plan, he said.

2. If a company feels that a non-level compensation plan best fits its objectives, it can feel assured that it is a practical, tested plan. It can move without waiting for everybody else to move in the same direction at the same time. Of course, it must consider such matters as possible adverse lapse experience, unfavorable reaction of the present agency organization, and impact upon the surplus position. There is no evidence on the effect on lapse rates, but the danger can be guarded against most readily by redesigning the policy to give the policyholder an even greater advantage in retaining his policy than exists today.

This eliminates the expensive luxury

of having the benefits resold at each renewal. As to the agents, the life company experience indicates that no modification of compensation should, in the absence of a real emergency, be forced down the present agents' throat. They can be given genuine inducements to change, or can be allowed to continue their present commission contracts. Impact on surplus funds depends on a company's position. It is possible that in the A. & H. business, as for many years in life insurance, statutory reserves might be established on a basis which recognizes the incidence of expenses, rather than on gross premiums allegedly earned.

Seeking Sound Level

3. A sound level of agent compensation is the most critical point. Over-liberality is wasteful and also defeats its own purpose for energetic men are made less energetic and inferior men are retained who would otherwise be forced out. Public ill-will is aroused. Under-liberality handicaps the business in competing with other industries for the type of man desired.

"It must be confessed that the problem of deciding what is the correct level of compensation is baffling," Mr. Moorhead admitted. "The life insurance business certainly has found no solution and I believe no solution will be found until statistical techniques and available information have made it possible to embark upon a sound and thorough study of agents' dollar earnings."

4. Perhaps more can be done to see that agents understand the intimate relationship that exists between their productivity and the net cost of their product. In the A. & H. business, even more than in life insurance, it is easy for the agent to see how his compensation rate

(CONTINUED ON PAGE 19)

No Senate Action on McCarran Resolution

WASHINGTON—Senate action on the McCarran resolution for investigation of the life insurance industry may be postponed until the latter part of May or later. The senate committee on rules and administration discussed the resolution last week, but took no action on it. There was no committee quorum present. This committee ordinarily would not meet until May 25, but a special meeting is possible.

State Officials Hold Zone Rallies at Columbus, Biloxi

The zone 2 commissioners had a two-day session at Columbia, S. C., and the next two days the zone 3 group held forth at Biloxi. Many of the industry representatives attended both sessions. Bowles of Virginia presided as chairman at the zone 2 gathering. The local life companies gave a banquet one evening and Commissioner Murphy of South Carolina was host at a lake party another evening.

The zone 2 group went on record as favoring an amendment to the N.A.I.C. examination procedures whereunder a zone in which an insurer has \$1 million or more of premiums would be invited to participate in an association examination.

The meetings at Columbia were open to the industry representatives, but the business sessions at Biloxi were closed.

The chairman of the zone 3 meeting was Cravey of Georgia. Lamar Life was host at a shrimp jamboree dinner there.

The tentative meeting of zone 4 commissioners that was to have been held at Chicago just prior to departure for the Seattle convention of N. A. I. C. has been called off.

Provident Mutual Puts J. B. Long in Home Office Post

J. B. Long, Provident Mutual general agent in Knoxville since 1936, has been elected manager of agencies, effective as soon as he can move his family from Knoxville to Philadelphia.

Vice-president James H. Cowles, relinquishing the title of vice-president and manager of agencies, will assume the title of agency vice-president.

Mr. Long is a graduate of University of Tennessee. Prior to joining the Provident he had widespread business experience, including ownership of an automobile agency, newspaper editorial work and life insurance selling. He was founder and first president of the Knoxville Civic Music Assn., and is a former president of the Knoxville Rotary Club and of the board of trustees of the Lawson McGhee municipal library. He has coached local track and field teams.

Mr. Long is a past president of the general agents association of the Provident Mutual.



J. B. Long

Kristensen Heads N. Y. State Assn.

Kristen Kristensen, Equitable Society, Yonkers, was elected president of the New York State Life Underwriters Assn. at the annual meeting at Niagara Falls, succeeding Stanley C. Collins, Metropolitan Life, Buffalo. About 150 attended the meeting, which differed from previous annual meetings in that the usual sales congress was not held in conjunction with the affair. A traveling sales congress which toured several large cities throughout the state a month ago was substituted this year.

Among the problems discussed by the delegates of the local associations were section 213 of the state's insurance law which limits expenses; group insurance; and legislative and public relations problems. Feeling among the delegates was that any amendments to the expense limitation rules should be carefully considered and studied to avoid changes which cause more harm than good.

List of Officers

Other officers elected include George P. Shoemaker, Provident Mutual, New York City, vice-president; and W. Merle Smith, Mutual Life of New York, Buffalo, secretary-treasurer. The new regional vice-presidents are Frank J. McManus, Connecticut General, Binghamton; John F. Meehan, John Hancock, Yonkers; Henry M. Lipes, Phoenix Mutual, Syracuse; Harold R. Fleck, Equitable of Iowa, Albany; Joseph E. Silverstein, Mutual Life of New York, Rochester; Richard Blanchard, Metropolitan, Malone.

Julian S. Myrick, retired 2nd vice-president of Mutual Life, honorary president of the association and one of its founders, was honored at the meeting. A portrait of Mr. Myrick was presented to the association and will be hung in the Albany office. Two other founders of the association were also honored, Herbert R. Lewis, Union Central, Rochester, and F. A. G. Merrill, State Mutual, Buffalo.

There was a sneak preview of the Institute of Life Insurance film "For Some Must Watch." Star of the film

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GO GETTER OR GO GIVER?

The term, "Go Getter", has been appropriately used to describe the energetic and enthusiastic spirit in which an underwriter must approach his job.

It is certainly true that to achieve maximum earnings and personal satisfaction an underwriter must be a "Go Getter." But it is of equal, if not greater importance that he has the proper regard for the "Go Giving" attitude that is so necessary to his success.

By "Go Giving" we mean that the underwriter must voluntarily and willingly give of his energy, time, and attention; he must give them in whatever quantity is necessary for his success.

Underwriter, let the goal of "Go Getter" and that of "Go Giver" be your twin spurs to greater success.

Insurance in force—April 30, 1949—\$408,203,989

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Actuarial Society Told of Growth by J. R. Herman

There are over a thousand life insurance actuaries on the North American continent, members of the Actuarial Society of America and the American Institute of Actuaries, James R. Herman, secretary Metropolitan Life reported at the annual meeting of the Actuarial Society in New York City. The ranks of actuaries are growing rapidly, Mr. Herman said, with more than one-third of the "associates" having attained that status in 1947 or 1948 and one-tenth of the "fellows" in the past three years. The 1,074 actuaries will automatically become members of the new Society of Actuaries, at the conclusion of the spring meetings of the two present organizations which are merging.

Overweight has become an increasing death hazard in recent years, according to a study presented by B. Franklin Blair, associate actuary, and Lawrence W. Haines, research assistant, of Provident Mutual Life.

Survey Covers 10,000 Deaths

Covering nearly 10,000 deaths between 1937 and 1947 under policies issued between 1920 and 1945, the results indicate that there have been changes in mortality in relation to build since a 1937 study of the same company and a 1928 inter-company study. In the intervening years, the relative mortality has generally improved on underweights and has become worse on the moderate overweight.

It was also shown that the increased deaths among extreme underweights which were evident 10 and 20 years ago were almost entirely due to pneumonia and influenza deaths. Since then, modern techniques in the treatment of infectious respiratory diseases and precautions in selection of risks, appear to have eliminated entirely the extreme underweight death bulge.

In the current study, it is shown that underweights all showed a death rate lower than the expected, while all overweighted of 8 pounds or more above standard showed higher than the expected death rate. Those 23 to 52 pounds over standard weight showed a death rate nearly one-third higher than expected.

Other Papers

Among other papers presented at the meeting were the following:

"Actuarial Note: certain implications which arise when the assumption is made that premiums are paid continuously and death benefits are paid at the moment of death," by John M. Boermeester, assistant actuary John Hancock; "Policy Expiry Date under Automatic Premium Loan Clause," by A. Edward Archibald, vice-president and actuary Volunteer State Life; "Actuarial Note: attained age valuation constants for policies with varying premiums," by Walter W. Steffen, actuarial assistant Lincoln National Life; "The Revenue of the Period of Account and Its Relation to Premiums, Valuation and Dividends," by W. Darrell Laird, assistant general manager and actuary Monarch Life of Canada.

New Field in Illinois

Enactment of the bill in Illinois to permit creditor's group life insurance to be issued on customers of small loan companies will provide the insurers operating in that field with a very large new market. This is the home state of Old Republic Credit Life of Chicago, which confines its activities to this type of insurance and that company is preparing to go after new accounts in that state in a big way. Heretofore in Illinois such insurance could be sold to the customers of banks and finance companies but not on those of organizations that come under the small loan act.

Institute Film Has Real Agent as Hero

John J. Sutton, Guardian Life agent at Oneida, N. Y., is the hero in "For Some Must Watch," a new documentary motion picture of the Institute of Life Insurance on the position of the life insurance agent in a typical American town. The picture was previewed in New York City last week by the financial and trade press and was also given a sneak preview at the meeting of the New York State Life Underwriters Assn. in Niagara Falls. It will be released generally after June 7, when its premiere is scheduled at Oneida, where the film was made. R. Wilfred Kelsey, institute film director, acted as a consultant in the development of the film.

The film deals with problems faced by three families in town and each family's story is an example of how, with the help of Mr. Sutton and life insurance, they were able in the past few years to solve major family problems. The first story is that of a successful young doctor who through overwork suffers a serious physical breakdown, the second how a widow and three children are able to establish a business and keep their family together after the death of the father, and the third shows how, through a policy loan, an onion farmer is able to save his farm when a heavy rainstorm ruins his crops.

No Professional Actors

No professional actors were used in the film. Mr. Sutton plays the hero's role with natural sincerity. The aim of the picture, according to Holgar J. Johnson, president of the institute, is to continue the development of good will for the agent. The picture will be offered free to theaters, agents' associations, service clubs, civic groups, schools, churches and other organizations.

The film emphasizes the good citizenship of the life agent and his continuous part in community activities.



John J. Sutton, agent of Guardian Life at Oneida, N. Y., is shown talking with his family in the new Institute of Life Insurance film, "For Some Must Watch," which was made with an all-amateur cast.

Mr. Sutton has been with Guardian Life since 1933. He has qualified for the company's Leaders Club every year since. His average production is approximately \$500,000 a year. Evidence that he is a salesman as well as a good citizen is shown by the fact that he managed to sell several of the technicians and cameramen of the film who went to Oneida to film the picture.

McConachie Occidental Assistant Chicago Manager

Alex McConachie has been appointed assistant branch manager at Chicago for Occidental Life of California. Mr. McConachie has been with Home Life of New York in Chicago for two years.

Upon graduation from Knox College in 1940, he went with Continental Casualty at Chicago and then was with Liberty Mutual there. He served in the navy as a lieutenant.

Processionary Caterpillar

John W. Fuss, Manager of Sales Promotion in the Penn Mutual's Joseph H. Reese Agency, Philadelphia:

"The processionary caterpillar moves through the trees in a long line, one leading and the others following. Fabre, the naturalist, experimented with them by placing a group of them around the rim of a large flowerpot. By sheer force of habit they kept moving around the rim of the pot at the same pace for seven days and seven nights.

"Exhaustion and starvation finally ended the routine. Peculiarly enough, an ample supply of food was closely at hand and plainly visible but was outside the range of the circle and was ignored as they followed the beaten path. They mistook activity for accomplishment.

"This type of activity is not confined to caterpillars. With the salesman it is found in the fellow who ignores his sales promotion and who follows the habits of work he has mastered, head down, over and over, around and around, with never a new thought to lighten his toil."

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

\$568 Million Paid Policyholders in '48 as Dividends

Life insurance policyholders in the United States set aside a record \$148 million of their policy dividends last year to accumulate at interest with their companies, bringing to \$1.1 billion the total of accumulated dividends at the start of this year, the Institute of Life Insurance reports.

The practice of policyholders leaving their policy dividends at interest with the company as an additional savings and thrift factor has expanded steadily in recent years, the institute commented. Only five years ago, the total of that year's policy dividends left at interest was \$81 million, or 20% of total dividends. This year, if the trend continues, the amount set aside at interest will be double the 1943 figure, and the percentage of total dividends used in this way will exceed 26%.

Total Dividends \$568 Million

Total dividends paid to policyholders in 1948 are reported by the institute as \$568 million. This was \$31 million greater than the year before and \$164 million more than five years before. The increase was due primarily to the greater ownership of life insurance and not to increased dividend rates.

Of the total 1948 dividends, \$221 million or 39% was used to pay premiums. This aggregate was practically unchanged, but the percentage was down, comparing with 41% in the previous year and 48% in 1943.

Second largest portion of the '48 dividends was that set aside at interest, accounting for 26%. In the previous year this percentage had been 25% and in 1943 it was 20%.

Only 20% Taken in Cash

The dividends used to purchase paid-up policy additions in 1948 amounted to \$85 million or 15% of total dividends and those taken by policyholders in cash were \$114 million or 20%.

Mich. Dept. Appropriation Will Fall Short of Request

LANSING—The Michigan insurance department's appropriation bill, due for final passage during the coming week, is likely to provide some \$35,000 less for personnel service than had been requested.

The bill, as it emerged during the past week from the house ways and means committee and was passed by the lower chamber, appropriates \$296,959 for salaries and wages for 75 persons, exclusive of the commissioner and his deputy, whose salary provisions are \$7,500 and \$6,000. Included in this figure, however, are 26 positions (the examining force) paid from restricted funds. The committee eliminated all provision for examiners' travel expense, amounting to \$66,041.

The last appropriation provided a net \$164,080 for personal service, compared with \$171,727 allowed in the new bill. The department had requested \$205,806, net, for this purpose. Due to the added duties imposed under the regulatory statutes made necessary by the interstate commerce decision, it has been necessary to expand departmental personnel considerably.

Connecticut Mutual has appointed DeWitt Jones supervisor at Denver. He joined the company in 1947 and qualified for the Half Million Dollar Group last year.

Confederation Life has opened a branch office at 75 East Gay street, Columbus, Ohio. The company was licensed in the state on March 25. Paul S. Rilett has been appointed branch manager of the Columbus office. He formerly was manager for Bankers Life of Iowa there.

Offers Plan for Dissolving Personal Service Firms

A combination income participation method for use in the liquidation of personal service partnerships was advocated by Deane C. Davis, vice-president and general counsel of National Life of Vermont, in his address before the Philadelphia C.L.U. chapter's estate planning seminar.

The original income participation method was designed to overcome tax hardships. It was considered that the tax result would be to include the estate's share of future profits in the return of the estate and the survivors would thus not be required to report this income without the right to deduct the amounts paid to the estate. However, it has been held that where the survivors "buy" the



D. C. Davis

interest of the deceased and agree to make payment therefore by granting a percentage of future earnings, the whole amount of future earnings is income to the survivors.

The reasoning employed, Mr. Davis said, seems to be that if there is in fact and in law a "purchase" of the business interest by the deceased by survivors in exchange for the share of future earnings, then the share of net earnings attributable to the deceased's estate actually belongs, at the moment earned, to the survivors. In such case, it is said that the old partnership is terminated. A new partnership consisting of survivors only is created. The earnings of the new partnership are the earnings of the survivors and they, having purchased the business interest, merely pay for such interest by using their own money.

If, on the other hand, there is no purchase of the business interest in exchange for the share of future earnings and the agreement specifically provides for continuation of the firm and participation by the deceased's estate, the estate's share of net earnings never becomes the property of the survivors, but immediately upon being earned belongs to the estate; and if so, obviously is not income to the survivors.

Combination Method

In view of this, Mr. Davis suggested a combination method that would include in the agreement the following essentials: Valuation of tangible assets such as books, furniture, tools, equipment, etc., and payment therefor in cash; compensation for the deceased's share of book accounts on finished business is made simply by paying to the estate, as collected, the same percentage thereof as the deceased partner enjoyed in partnership earnings while he lived; compensation for the deceased's share of work in process may be made by valuing it in accordance with a prescribed formula and provision that it be distributed to the estate in regular periodic installments, or if preferred it can be provided that the amounts received by the firm representing charges made prior to the decedent's death shall be paid over from time to time as received, in accordance with the proportionate interest therein which the decedent had prior to his death. This latter method avoids the difficult problem of determining a present value.

Definite Continuance Period

In addition it will be provided that the old firm shall not be dissolved immediately upon the death of a partner, but shall continue to be treated as in existence for a definite period of time (e. g., five years), during which time the estate shall be entitled to receive a prescribed percentage of the net earnings of the firm. Under such an arrangement the share of future earnings paid to the estate constitutes income to the estate as received and is not to be considered or reported as income to the survivors.

Phila. Magazine Features American College's Role

The May issue of "Philadelphia," a magazine published in cooperation with the Philadelphia Chamber of Commerce, has an extensive article on the American College, with pictures of President S.S. Huebner and Dean David McCahan. The article discusses the college, its function, its aims, and the S.S. Huebner Foundation for Insurance Education.

The project at the outset was one of the greatest steps forward in efforts to establish the solicitation of life insurance on a high professional basis," the article says of the college. "Its substantial growth during the ensuing years—despite a bitter depression and turbulent war era—brought increased cooperation from insurance companies themselves. And, today, it is recognized as a prime influence on advanced life insurance education."

Key Figures in LAA Southern Round Table



new vice-chairman, John L. Briggs, Southland Life, was unable to be present at the meeting.

A. B. Richardson, Life of Georgia, new chairman of the Southern Round Table of the Life Insurance Advertisers Assn., who was elected at the recent meeting at Chattanooga, is shown at the left. Hal R. Marsh, Jefferson Standard, center, is the retiring chairman, and W. R. Goode, Provident Life & Accident, right, is the new secretary. The

Brokerage Men Should Heed Functional Value Says Stuart F. Smith

Stuart F. Smith, vice-president of Connecticut General Life told the Life Supervisors Assn. of New York City that many brokerage supervisors do not concern themselves sufficiently with putting the functional value of life insurance through to the policyholder. Speaking on the field of brokerage business in life insurance, he said they give only some assistance and their concern is simply to get the business. For this reason many brokerage men do not actually create new business, they simply transmit business which is created by others without concern as to whether the insurance applied for is sufficient, of the right type, and providing a proper distribution to fit the needs of the client.

Continuing, he said if there were such brokerage men in agency offices, they could greatly expand their career potentials by concerning themselves with the growing trend which demands the functional value be delivered with the policy and by studying and analyzing the possibilities in brokerage business to the end that they can take an active part in the creation of business on a sound cost basis through brokers.

Pennsylvania Adopts N.A.I.C. Group Life Definition

HARRISBURG—Pennsylvania legislation adopting the group life definition of N. A. L. U. and N. A. I. C. has been signed by Governor Duff.

A major legislative victory for the Pennsylvania Association, the new law becomes effective Sept. 1. Its enactment makes Pennsylvania the only state other than Arkansas to adopt the definition.

The new legislation received support from Commissioner Malone.

Final passage of the bill is represented by the association as due to a large extent to the supervision of Senator George N. Wade, general agent at Harrisburg for Ohio National.

The governor signed two bills to enable state acquisition of unclaimed life and endowment insurance proceeds without escheat. Such monies being held by life insurance companies doing business in Pennsylvania will be subject to payment into the state treasury without detailed legal action after Jan. 1, 1950.

The governor signed a bill authorizing the further investment by insurance companies of capital reserve and surplus funds in obligations issued, assumed or guaranteed by the International Bank for Reconstruction and Development.

Fla. Law Study Bill

The Florida senate has approved a proposal to set up an interim committee to study the possibility of revising the insurance laws.

Philadelphia Insurance Phone Directory Is Ready

Copies of the 1949 Philadelphia Insurance Telephone Directory have been mailed to local offices in that city. The 88 page book lists fire, casualty and life offices alphabetically with their phone numbers and includes agents, brokers and company officials. Extra copies of the book may be purchased at \$1 each from the Philadelphia office of the National Underwriter Company, 123 South Broad street, or the home office, 420 East Fourth street, Cincinnati 2, O.

Mich. Discrimination Issue

LANSING—Charges that automobile and life companies have been discriminating against Negroes are contained in a concurrent resolution introduced in the Michigan senate. This provides for a joint committee to investigate.

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POSTAL LIFE

Now an AGENCY COMPANY

writes all regular forms of participating life insurance plus several unusual forms. Yes, we write Convertible Term Riders — Not Single — Double — TRIPLE — But

QUADRUPLE PROTECTION

on 10, 15 or 20 Year Plan.

Family Income Rider 10, 15 or 20 years with income up to \$20 PER MONTH for each thousand of basic policy. Special Monthly Decreasing Term for Mortgage Redemption covering any period from 10 to 20 years inclusive at low cost.

Agency franchises available in N. Y. State.

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Director of Agencies



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"FROM NOW ON THERE WILL BE ONE MORE READER IN THE FAMILY."

May R&R Magazine carried an illustrated piece—"There is more excitement in the smell of burning leaves, apple blossoms and new-mown hay, than in Tabu at twenty dollars an ounce; and it gives you a lot more to think about!"—and one of the interesting responses it brought was this friendly note from Linus Pearson, Great Northern Life, Seattle: "When the May issue of R&R Magazine arrived, I handed it to my wife just as we were leaving for Tacoma. We both got quite a kick out of your back page bit of wisdom by Jas. Loomis. It so happened that as we crossed the tide flats of Tacoma the tide was out, the sun was shining brightly, and the strong odor of a wood pulp manufacturing plant was in the air. We both decided that we would have preferred Tabu at any price. Under any other circumstances, however, we both would agree with Mr. Loomis.

"Mrs. Pearson was quite impressed with your magazine and wanted to know why she had not seen it before. From now on, there will be one more reader in the family. I firmly believe that more wives should read your splendid articles."

SUGGESTION TO ALL UNDERWRITERS: HAVE YOUR R&R MAGAZINE MAILED TO YOUR HOME ADDRESS.



PAUL SPEICHER
Managing Editor

THE INSURANCE RESEARCH & REVIEW SERVICE
INDIANAPOLIS

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L.I.A.M.A. Combined Company Session Plans Announced

At the L.I.A.M.A. spring conference for combination companies at the Cavalier, Virginia Beach, May 24-26, following the opening luncheon, there will be a discussion on the responsibility of the agency department for motivation, with Malcolm C. Young, 2nd vice-president of John Hancock, as chairman. A panel discussion on the function of the home office in field training led by J. P. Byrne, assistant vice-president of Life & Casualty of Tennessee; A. P. Gunn, director of training John Hancock; William P. Lynch, second vice-president Prudential; Karl H. Kreder, assistant vice-president Metropolitan; Lauren Schram, vice-president Western & Southern and Fred I. Wunderlick, superintendent of agencies Baltimore Life with Orville E. Beal, vice-president Prudential as chairman will be held May 25.

In the afternoon, in addition to the address of Charles G. Taylor, executive vice-president Metropolitan which was previously announced, Edmund L. G. Zalinski, managing director of Life Underwriting Training Council, will speak on "What's in It for Me." Frank P. Samford, president of Liberty National, will preside.

"Appraisal of Performance" with H. P. Anderson, vice-president, Life of Virginia, as chairman will be the topic of the May 26 session followed by a summary of the meeting by John M. Holcombe, Jr., managing director of L.I.A.M.A.

U. of Conn., Life Assn. to Sponsor Annual School

The life underwriting school jointly sponsored annually by the Connecticut Life Underwriters Assn. and the University of Connecticut will be held August 1-5 at Storrs. Designed for agents with at least two years' experience and a sufficient background to handle advanced problems, the course is limited to 50 students.

The school opens with the problem of prospecting for the estate planning client. The second day will be devoted to the problem of coordinating the general estate, social security, company pension plans, group coverages, stocks, bonds and real estate with life insurance.

A discussion of cooperation with trust officers, accountants and attorneys will be the basis for the third day's study. The fourth day will be given over to the use of income settlement agreements, trusts and wills in carrying out the estate plan of the client. Sales and closing techniques will be reviewed on the final day.

Laurence J. Ackerman, dean, school of business administration at the university, is in charge of instruction.

Plans for the school are under the direction of the association's educational committee, headed by Bradford D. Haseltine, National Life of Vermont, Hartford. Reservations will be accepted until June 15.

Group V-P.

James R. Wilson, whose appointment as vice-president in charge of agency development for the newly formed A. & H. and group department was reported in last week's issue, has for two years dealt mainly with agency development and expansion in the company.



Cal. Compulsory Health Bill Is Tabled in Committee

The California senate committee on governmental efficiency has tabled Governor Warren's expanded compulsory health insurance bill. Similar bills were killed in committee in 1945 and 1947.

Senator Swing of San Bernardino, spokesman for the committee, observed that there is a health bill pending in Congress and that the states should wait to see what happens before entering the field any further. A minute later the

members voted to table the proposal.

Governor Earl Warren criticised the committee and the medical profession saying they were "callous" to the needs of the great mass of the public.

Prudential Loans \$17 Million

Prudential has lent \$17 million on the Merchandise Mart at Chicago. The loan matures in 1969. The interest rate was not disclosed.

The loan will be used to refund a \$12½ million 3¾% loan made with Equitable Society. The loan is the

third largest ever made by Prudential and its second largest on a single building.

Wehrle W. Va. Deputy

R. W. Wehrle has joined the West Virginia department as acting deputy. Lately he has been general agent at Charleston for Pan American Life and before that was director of agencies of George Washington Life. Mr. Wehrle was at Chicago this week for the convention of H. & A. Underwriters Conference.

What Makes an Agent Tick?

What service does an agent expect from the Home Office?

How does NWNL train its new men?

How can we tell if a prospective agent will turn out to be a success?

Why do we have conventions?

Do agents deserve all the help and "breaks" they get?

Why do we have a special school for our agents, and what do they get out of it?

THESE questions and others relating to agency affairs were taken up at a recent round table gathering of Northwestern National Life Home Office employees.

The meeting was the fifth in a series of round table discussions started about a year and a half ago by NWNL employees and planned by their own Educational Committee. Earlier round tables have dealt with a variety of topics including the Company's rate book, the underwriting function, personnel matters, and a summary of NWNL's 1948 operations.

Agency Department staff people leading the discussion were guided by a long list of questions about the agency function, gathered in advance by the Educational Committee. The questions were con-

structive and showed deep interest; however, their number and variety told plainly that many employees have all too little opportunity to become well acquainted with field people and field problems.

By the end of the evening, the Home Office group had a clearer understanding of the Home Office Agency Department's five-part function — recruiting, training, financing, servicing, and stimulating the field organization. And they carried away with them a deeper understanding of the importance of their own work as it affects the agent and a stronger sense of their interdependence with the fieldmen — both necessary ingredients for efficient service to NWNL policyholders and the life insurance-buying public.

NORTHWESTERN National LIFE
INSURANCE COMPANY
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Cliff McMillen Concept

To stress love of work as the secret of happiness puts one in danger of being accused of hypocrisy, especially if it is well known that one loves to play at times! However, the career men in life insurance I have respected most are those who so thoroughly love their work that they give off a radiance felt by all with whom they come in contact.

Clifford L. McMillen
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New York 17, N. Y.

No. 18 of a series . . . No. 17 appeared last week.

DID YOU KNOW

that the wide facilities and excellent service of the Manufacturers Life include:

DOUBLE FAMILY INCOME BENEFIT (\$20 monthly income per \$1000)	UP TO \$200,000 SINGLE PREMIUM on Life, End. and Annuity Plans
MORTGAGE REDEMPTION PLANS — geared to F.H.A.	LOW TERM RATES on 5, 10, 15 year and One Year Renewable Plans
PENSION TRUSTS — with Life Insurance or 100% on Deferred Annuities	FAMILY INCOME TO AGE 65 — also regular 10, 15 and 20 year F.I.B.
INSURANCE ON SELECTED DIABETICS	FOREIGN TRAVEL and RESIDENCE COVERAGE

PARTICIPATING and NON-PARTICIPATING RATES

INSURANCE IN FORCE 1,143 Million Dollars
(Including Deferred Annuities)

ASSETS, 366 Million Dollars

**THE
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INSURANCE LIFE COMPANY**

HEAD OFFICE • TORONTO, CANADA

Colonial Marks Opening of New Building



Center section of the speakers' table at the banquet marking the opening of Colonial Life's new home office building: Carrol Shanks, president Prudential; Charles A. Martens, mayor of East Orange; Richard B. Evans, president Colonial Life; Ernest J. Heppenheimer, chairman Colonial Life; Deputy Commissioner Christopher A. Gough of New Jersey.

The new Colonial Life building in East Orange, N. J., was formally opened to the public the afternoon of May 11. Scores of floral tributes were received. Hundreds of visitors examined the entire structure. Chairman of the board and founder of the company, E. J. Heppenheimer, and President R. B. Evans greeted all visitors. They were assisted by Vice-presidents J. Kraus, Jr., J. G. Bruce, W. R. Gannon, and F. J. Pinque, and by Actuary W. C. Brown and Medical Director L. A. Pyle, and by many other employees of the company in showing visitors all the many attractive rooms and modern equipment.

The new building is located about two blocks from the main business section of East Orange at 111 Prospect street. It was built of reinforced concrete throughout somewhat in the architectural style of the Thomas Jefferson Library of the University of Virginia. The building blends in amazingly well with the entire neighborhood.

On the first level have been placed purchasing, personnel, mechanical and filing departments. On the second, or street level, is located the agency department, the real estate and mortgage division, and the medical department. On the third level is the office of the president, the board room and the offices of several of the vice-presidents with their immediate staffs.

Rear Wing Is Unusual

Particularly unusual is the rear wing, consisting of one large open room. This uses a type of construction new to office buildings. The room 137 feet long and 100 feet wide is entirely unobstructed by supporting columns. This is made possible by the rigid-frame reinforced concrete arches. This large room is for the clerical staff.

The construction permits use of natural light during most of the working hours, since large glass-blocked panels are on the two sides of the room, and additional glass-blocked panels permit light to come through the roof.

There is a special classroom for field training, and special equipment for field training, and special equipment for broadcasting, music and announcements throughout the building. The building provides a total working area of 44,250 square feet.

Among those who called to see the building and congratulate the officers were Mayor Martens of East Orange and city council members, former Gov.



Richard B. Evans, president Colonial Life, and A. Harry Moore, former governor of New Jersey, at the opening ceremonies.

ernor Moore of New Jersey; Presidents R. R. Lounsberry of Bankers National, Richard Rhodebeck of United States Life, Carrol M. Shanks of Prudential, and John S. Thompson of Mutual Benefit Life; Deputy Commissioner Gough of New Jersey and B. J. McLaughlin, assistant chief examiner of the New Jersey department and many other leading figures in life insurance and general business.

Reception and Dinner Held

The day following the formal opening a formal reception and banquet took place at a nearby hotel. President Richard B. Evans was toastmaster. He expressed the company's appreciation for the friendly welcome accorded the company by the leaders and citizens of East Orange. He called on various guest speakers, who brought brief messages of good will. There was singing by the Colonial Life choral group. Dancing followed dinner.

Colonial Life had assets of \$38,521,975 at Dec. 31, 1948 and life insurance in force of \$214,338,634.

Small Heads Committee on Ill. Legislators Dinner

Because of the death of J. M. Clark, John Hancock general agent at Peoria, who was chairman of the committee in charge of the dinner being given at Springfield May 25 for members of the Illinois legislature, Edgar R. Small, general agent of Lincoln National in Peoria, has been named chairman. He also succeeds Mr. Clark as vice-chairman of the Illinois Association's legislative committee.

Chester T. Wardwell, Connecticut Mutual Life general agent at Peoria, and president of the state association, will preside at the dinner.

The purpose of the dinner is to acquaint association members with their legislative representatives and familiarize them with the processes of the state government. As part of this objective, guides will be available in the afternoon to conduct the life insurance men on a tour of the state capitol building, including visits to the house and senate chambers and the insurance department offices.

List Minn. Law Changes

As a result of legislation passed at the recent session, Minnesota life insurance laws now permit credit unions to pay life insurance premiums for members; allow a deduction of premiums for life insurance and funeral benefits from employees' wages; permit domestic mutual life companies to print notices of annual meetings on premium notices; bar organization of assessment benefit associations; require examinations of fraternal to be paid for by them; exempt life insurance and accident insurance proceeds of \$35,000 from inheritance tax in case of a widow and \$10,000 in the case of minor children or dependent parents; and permit a domestic insurer to acquire and hold real estate for housing its employees.

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New Mass. Mutual Programming Plan Wins Acclaim

The new life insurance planning and coordinating service, "Design for Security," produced and copyrighted by Massachusetts Mutual has brought enthusiastic endorsement by agents, general agents and insurance owners. Publicity has been withheld until the printed matter and the service procedure could be tested by field use. It was first introduced at regional seminars conducted last February.

The service covers an agent's needs from the first interview to presentation of the finished audit. Included in the binder are visual pre-approach pieces based on several different sales appeals: savings effected by life insurance planning, the value of programming to conserve insurance dollars, the advantage of securing the most liberal and elastic clauses from all policies owned, and two hypothetical insurance estates modeled on a \$30,000, and a \$50,000 estate.

A novel feature of the visual fact-finding booklet, for use in the first interview, "Your Blueprint," is a notched page design which allows the agent to insert the proper figures without turning pages as he progresses in the problem-fixing and fact-finding interview. These figures completed, the final page, "Today's Inventory," adds social security figures, and other data needed to prepare the recommended plan.

Size Can Be Varied

In the next to the final step, the "Design for Security" booklet, a digest of the proposed plan, is used prior to submitting the new audit. The latter, flexible and interchangeable, consists of 23 sheets for large insurance estates, and can be reduced to a few sheets for smaller insurance holdings. The sheets covering such items as policy data, dividends, beneficiaries, allocation of proceeds, settlement provisions, values for retirement, as well as a narrative outline of the insurance estate.

The service includes a work flow chart, allocation of policy proceeds and beneficiary check lists.

A manual has also been prepared for the agent's use in working with the sales kit.

List Winners in Parkinson Drive

The annual "Par for Parkinson" sales campaign of Equitable Society topped ordinary and group quotas by a wide margin. The traditional April sales drive in honor of president Thomas I. Parkinson turned in ordinary business totaling \$211,826,000 as against a quota of \$150 million. About 5,600 agents participated and ordinary business was written on 36,351 lives. Group campaign volume amounted to \$298,130,805 as against a quota of \$150 million.

Southwestern Department Leads

Heading the national list in department standing for ordinary was southwestern with \$44,060,223 and a score of 163% over quota. Northeastern was second in ordinary business with 152.9% of quota and a volume of \$16,709,037. The southern department was third with 142.2% of quota and a volume of \$19,131,19. New York metropolitan was fourth with 141.7% of quota and ordinary sales of \$37,242,640. Middle Atlantic was fifth with \$24,134,142, or 138.5% of quota. The greatest sales volume, \$54,379,297, was made by north central with 136.7% of quota. The south central department had 134% of quota and \$24,338,325 ordinary and northwestern, with 132.5% of quota, had a \$13,549,167 volume.

In group the south central department was first with 571.7% of quota and group sales \$46,132,382. New York metropolitan had 225.7% of quota on a vol-

ume of \$65,802,579. Northwestern had 193.8% of quota with sales of \$10,628,141. Middle Atlantic turned in over-quota sales of \$37,653,858; the southern department had sales of \$11,193,997. The north central's group sales in April were \$35,504,973 and southwestern had \$3,974,014 in group business.

Top-ranking agencies in ordinary finished in this order: Kellogg Van Winkle, Los Angeles, \$6,190,507; F. G. Holderman, Jr., Peoria, \$5,707,915; W. V. Woody Chicago, \$4,826,638. Leading unit in ordinary was L. H. Sprouse, Washington, D. C.

Top agent nationally was Roy Green,

Washington, D. C. L. E. Andersen of the Van Winkle agency held second place and third place winner was Mrs. I. L. Godwin, Hempstead, Long Island.

Prosser & Homans, New York City, led in group sales with a volume of \$32,795,000. The Woods agency of Pittsburgh won second group ranking with \$28,791,890. The Embry agency of Kansas City was third with \$22,510,080. Leading group unit was David Jamieson, Philadelphia. Top-ranking group agent was Norman C. Strong, New York City. J. M. Pfeil, Pittsburgh, was second and C. D. Merrill, Boston, was third.

Rochester, N. Y., C.L.U. Elects

Howard Davies, Phoenix Mutual, was named president of the Rochester, N. Y. C.L.U. Others elected were Charles Schaaff, Massachusetts Mutual, vice-president and Frank Alberts, Aetna and Equitable, secretary.

Denis B. Maduro, New York City life insurance lawyer, spoke on problems in stock purchase agreements at a forum at Richmond, Va. sponsored jointly by the C.L.U. chapter, managers association and the Richmond Life Insurance and Trust Council.



\$13,100...

That's the average size life case of the graduates of our programming schools who are using the Company's special service.

Supplementing our COMPLETE sales kit—Life . . . Noncancellable Sickness and Accident . . . Group . . . and Wholesale—is thorough training, both elementary and advanced.

We believe sound training, reflected through our Company schools, speeds success.



100 YEARS
UNION MUTUAL
Life Insurance Company
PORTLAND MAINE HOME OFFICE
ROLLAND E. IRISH, President

Cost Analyst Must "Sell" His Remedies to Executives, Subordinates, Says O'Toole

Great emphasis must be placed on securing the willing cooperation and assistance of the operating personnel in the establishment of a cost analysis program, said Edward F. O'Toole of O'Toole Associates, New York City management consultants, in his talk at the meeting of the Insurance Accounting and Statistical Assn. at the Edgewater Beach hotel, Chicago.

One of the most important benefits to be derived from any systematic development and presentation of cost data is the psychological effect on the key personnel, he said. When cost consciousness has permeated an entire company so that each supervisor, department head, and officer consistently applies cost thinking to every expenditure, then that company has made real progress toward a successful expense control program and the management is in a position to make informed decisions, he pointed out.

This awareness of the human factor must also be borne in mind in presenting the cost analysis program to top

management, Mr. O'Toole said. Technicians tend to concentrate too much on the development of the data, believing that the overwhelming logic of what they present will conquer all executive objection. This does not usually happen, because the chief executive is constantly besieged by suggestions and ideas from all subordinate executives. The cost analyst has to compete for the attention of the top executive.

Application of total direct salaries of a department against some relatively simple unit of expense measure that reasonably reflects the work of the department frequently highlights the possibility for dramatic savings in home office expense, said Mr. O'Toole.

For example, he analyzed the new business cost per application of a client company in which it was shown that the salary cost per application ranged \$2.03 in March to \$10.53 in August. It was obvious that the great spread in cost was due to bulges of business resulting from production contests. The

department had to keep staffed for peak periods, resulting in an excessive unit cost during the slack seasons. The remedy was to rearrange the production contests so that different regions ran their contests at different times, thereby evening out the home office load. During the first year of transition the cost will be about \$3.90 for direct salaries, or a savings of about \$12,000 to \$13,000 as compared with the former operating basis.

Cut Agency Travel Costs

In another company, agency travel costs were found to vary widely. The agency vice-president did not wish to single out any individual because all the men were doing satisfactory jobs. He worked up a diagram, indicating the expense of each man and also showing the average. Each man received a chart with only his own name and standing identified. However, a number of men got together and compared charts and it was not long before each knew his relative position with respect to each of the others. Through this means alone the average travel expense dropped from about \$17.40 to \$15.79 per day. Even the freest spender, who was costing the company about \$29 a day, has cut down to a little more than \$20.

These expenses were for personal expenses and entertainment, exclusive of transportation and hotel charges.

This type of presentation can be used in many other ways, Mr. O'Toole said. For example, in another company, the executives were seriously considering building an addition to their small home office, one reason being that they could not get agreement among the executives to rearrange the available space so as to make this move unnecessary. Three executives, in particular, held out against any reduction in the space assigned to their departments.

"Hold-Outs" Came In

An analysis was made showing adjusted annual rental cost per employee, by departments, excluding files, file clerks, machines, machine operators and executive space. The president explained that he would have to present this analysis to the directors when building the addition was considered. He asked each officer to give him some reason to explain satisfactorily to the board the basis for the wide variation in rental charges among the various departments.

This produced an immediate reversal of opinion among the "hold-out" executives, who honestly had not realized the extent to which their attitudes had resulted in increased costs to their company. As a result, the space was rearranged in the home office so that all departments came pretty close to the average space allotment of about 65 square feet per clerk and the average rental charge of about \$160 per year per clerk. The previous space allotment had ranged from as low as \$40 square feet per clerk in some departments to as high as 100 square feet in others.

While this did not produce a perfect space arrangement, it has at least put off for some years the need of adding a wing to the building while building costs are at their present high levels.

Mr. O'Toole said that the small company should be extremely careful in the development of an extensive departmental cost program or functional cost program. In a small company, the executive salaries usually comprise an extremely high proportion of the total salaries and it generally happens that in such a company each senior officer devotes a fair portion of his time directly to some activity or function outside the scope of his departmental assignment. Hence, even relatively small fluctuations in the volume of transactions processed through any particular department may produce unit cost deviations quite out of proportion to the actual percentage difference in transaction volume from one year to the next.

Mr. O'Toole made it clear that he did not wish to discourage any company from experimenting with exten-

sions of an existing cost analysis program, but he said it was important to remember that the degree of refinement that should be embraced in a cost analysis program should be in direct relationship to the size of the company and the benefits to be expected.

Celler Succeeds in Stopping Potomac Power Direct Sale

The fight of Rep. Celler against the direct sale of bonds of Potomac Electric Power Co. to Metropolitan, Equitable Society and Prudential succeeded. Last week Halsey Stuart & Co. announced in New York that it was selling as head of a banking group a \$10 million issue of first mortgage bonds and common stock of the utility concern.

Investment Firm Also Objects

Mr. Celler appeared at hearings late in March before the District of Columbia public utilities commission, opposing the sale of the debentures to the three companies. Halsey Stuart & Co. was also represented at the hearings to oppose the direct sale. Proceeds from sale of the bonds and of common stock will be used on the construction program of the company and its subsidiaries. Had there been no opposition, the financing would have been handled by the life companies, although the method of financing would have been technically different.

List Events for ALC Medical Meet

The American Life Convention Medical Section has arranged its program for the annual meeting to be held June 23-25 at the Homestead, Hot Springs, Va. About 200 are expected. Dr. J. Thornley Bowman, London Life, section chairman, will preside at all sessions. Dr. and Mrs. Bowman will be hosts at a reception the evening of June 23.

The program follows:

Thursday, June 23

Chairman's address, Dr. Bowman. Greetings from W. E. Bixby, president of A.L.C. and of Kansas City Life; Robert L. Hogg, executive vice-president and general counsel, A.L.C.; and Dr. Edwin G. Dewis, Prudential, president Assn. of Life Insurance Medical Directors. Appointment of committees. "Gastro-Intestinal Disorders," Dr. Grier Miller, University of Pennsylvania. "Peptic Ulcers," Dr. D. Sergeant Pepper, Provident Mutual.

Friday, June 24

"Juvenile Underwriting," Dr. William H. Scovins, Lincoln National Life; "Juvenile Impairments," Dr. Amos Christy, Vanderbilt University. Annual business meeting.

Saturday, June 25

"Study of Tuberculosis with X-ray Exhibit," Dr. H. H. Fellows, Metropolitan Life. Remaining events scheduled for Saturday will be announced soon.

To Fort Worth



M. S. Bennett
joining Lincoln National.

M. S. Bennett has been appointed general agent in Fort Worth for Lincoln National. He has had 15 years' life insurance experience in production and managerial work in that territory and in the Kansas City and Springfield, Ill., areas.

Mr. Bennett was district manager at Springfield, Ill., for Equitable Society for three years before



Ask your investment executive. He'll tell you that investment is a problem today, on a low interest market. That's why we think American United is in an ideal situation. Big enough (over 80 million dollars of assets—over 400 million dollars of insurance in force) to be a factor in the investment market, to take advantage of sound investment opportunities, to safely diversify its investments. Yet, we are spared the headaches of having to invest huge sums, things being what they are today. How big is big? We think American United is just the right size, about 64th in a list of over 500 insurance companies. Big enough for the advantages of bigness, small enough for the personal touch. And we never want to lose that personal touch. Agents and policyholders like it.



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OBSERVATIONS

A Case for the FBI

A staff member of the Colorado insurance department reports that the other day a fellow entered the department and asked, "How do I go about buying a policy from that company which sponsors 'The FBI in Peace & War'?" He was told how to get in touch with Equitable Society and he thanked his informant, commenting, "Darned if I can remember one insurance company from the other, but I sure know a good radio program when I hear it."

Expense Control in the Old Days

Cost controls in the field used to be much simpler than they are now. Frazar B. Wilde, president Connecticut General, remarked at the spring meeting of Life Insurance Assn. of America. He recalled that years ago he worked for an agency superintendent who made frequent visits to the field offices. One of the common points of discussion with the general agent or manager was an extra allowance for something. Automobiles were coming into use and producers wanted a mileage allowance, for example, or new typewriters or other office equipment.

This superintendent had a unique system. He would talk at length with the general agent but avoid any decision saying he would write him later, apparently leaving the impression that his recommendation would be favorable. Eventually a letter would be received from the general agent mentioning that the superintendent had promised to make an allowance and might the general agent know what has been done about it. Mr. Wilde would take the letter to the superintendent and point out that no allowance had been authorized. The superintendent's reply would be, "Why, yes, we had a talk about that but I never promised any allowance." By such simple procrastinating devices at least half the increased expenditures were never made. Mr. Wilde pointed out, however, that the world is much more complicated now and that systems and methods are needed.

Short-Changing Is Short-Sighted

There are frequent complaints from promising but struggling supervisors and assistant managers that their compensation for the managerial portion of their jobs is inadequate. These young men frequently give up their posts and return disillusioned to personal production. We're not saying that it is true

that supervisors are generally underpaid, but if this is so it is indeed tragic. In such young men are the seeds of the managers and the home office agency executives of the future. They should be afforded a sufficient remuneration to make up for the real sacrifice of earnings the good producer must make when he accepts executive responsibilities. Any short-changing of these young hopefuls is short-sighted indeed.

One Way to Bring in Young Men

Getting young men just out of college into early production is a problem that has long stood in the way of the life insurance business following a course that has become widely accepted in other important industries. Earl C. Jordan, who was appointed last December as a general agent of Massachusetts Mutual in Chicago, is following a plan which he previously found to be a good way of getting two young men a year as producers. He developed and used the plan before becoming a general agent and he has confidence in it.

Mr. Jordan's system calls for employing a young man just out of college and making him the agency's estate analyst. For example, he recently engaged a young graduate of the University of Wisconsin, James E. Kaeser, a naval veteran, who has specialized in statistical work. By the time Mr. Kaeser has been on this job another six months, he will have an excellent background for selling. He will be well versed in programming, he will know what competition he has to meet, he will know settlement options and will be well acquainted with the type of prospects that should be sought in making a program sale. He is available to go out in the field with agents to supply technical information, so the selling process will not be altogether new to him when he starts in as a producer. About two months before Mr. Kaeser gets ready to become a full-time producer, Mr. Jordan will locate another young man to succeed him and the two will work together for a couple of months while Mr. Kaeser shows the new man the ropes.

Lawson, Grahame Directors

Harold R. Lawson, actuary since 1945, and Orville F. Grahame, general counsel since 1946, have been elected directors of Massachusetts Protective and Paul Revere Life.

The
FRIENDLY
COMPANY
OF DISTINCTION
presents



O. E. SHACKLETT



R. O. SHACKLETT



C. GLENN SHACKLETT

CAREER FAMILIES

THE Shackletts of Iowa City are an outstanding insurance family. General Agent O. E. Shacklett recently completed 500 consecutive weeks in the App-A-Week Club. His son, Robert O. Shacklett, also a General Agent, and a third member of the family, C. Glenn Shacklett, have also made excellent production records during their ten years of service under The Ohio National banner.



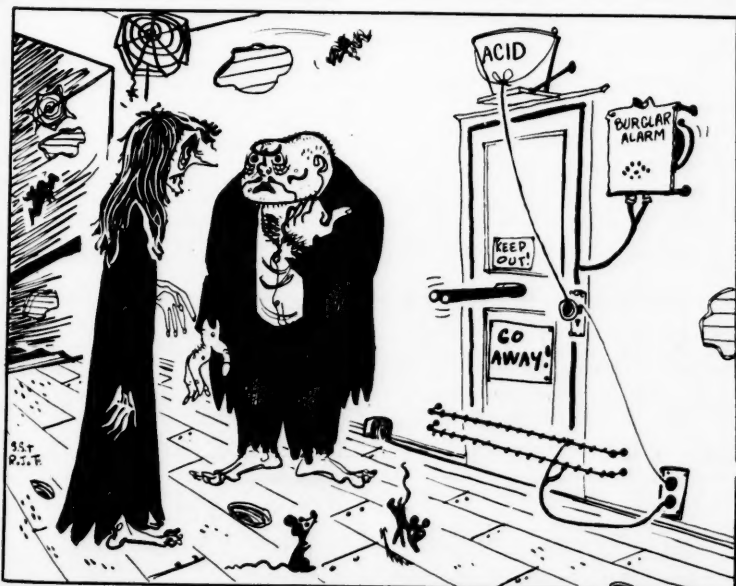
CINCINNATI, OHIO

Participating and
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GENERAL AGENCY OPPORTUNITIES
BROKERAGE BUSINESS ACCEPTED

GIRARD LIFE
INSURANCE COMPANY OF PHILADELPHIA

Opposite Independence Hall



"You know, Maw, I don't think Junior trusts us anymore since we took that \$5,000 policy on his life!"

EDITORIAL COMMENT

Treasury's Decision on SS for Agents

Those who felt that many full time agents should be covered at the present time by the social security act because they were common law employees have been discouraged by the surprising Treasury Department ruling in the Phoenix Mutual case reaffirming its 1938 position that agents are not employees under titles VIII and IX of the social security act.

The National Assn. of Life Underwriters has long felt that many full time agents were in fact employees under the control test and that coverage for agents would grow as this test was applied by the various companies. Eleven companies now recognize agents as employees for social security purposes. N.A.L.U. felt that this position was justified by the circuit court's ruling in the NLRB case. Though this procedure would take time, it was felt that progress was being made and that congressional legislation was not needed for that particular group.

The definition of employee under the national labor relations act was substantially the same as it is under the social security act. Therefore the N.A.L.U. legislative program with regard to the Gearhart resolution was on behalf of the twilight zone group which

the common law rule misses.

Some have said the problem could be solved by extension of coverage to the self-employed with retention of the Gearhart act. With the Treasury Department ruling, however, most full-time agents would be classed as self-employed and would pay a greater tax, rather than have the company contribute. This the agents oppose.

Some feel that the Treasury Department ruling was caused by an unwillingness to take any step without clear cut authorization from Congress. The Treasury Department was criticized at congressional hearings last year for interpretations it placed on previously enacted statutes.

In default of a right of appeal to the courts of the Treasury Department ruling it appears that the only solution would either be by amendment of the Gearhart rule, or recognition by the companies of agents as their employees. One possibility of appeal could arise in the case of agents over 65. One of those could bring suit against the social security commissioner for benefits under the act, claiming a right to receive them. The court decision in that case would clarify the issue.

An Agent Heads the N.A.L.U. Staff

Selection of Richard E. Imig as acting executive vice-president of the National Assn. of Life Underwriters will be welcome news to the vast number of people in the business who are familiar with his fine record as N.A.L.U. trustee and his painstaking, constructive, and very fruitful work as chairman of the important N.A.L.U. conservation committee, which handles the national quality award.

The fact that Mr. Imig is an agent has a significance that will not be missed by those who have been following N.A.L.U. affairs in the last few years. There has been a small but vociferous minority in N.A.L.U. that has tried to make something out of the fact that the present executive vice-president, James E. Rutherford, was a general agent before going to N.A.L.U. headquarters. There never was a sillier contention, for all who know Mr. Rutherford realize that he has been intensely loyal to the interests of the entire field force of the life insurance business, personal producers and supervisory personnel alike. He has never let his previous company connection color his thinking. If anything

he would lean over backwards to avoid it.

Nevertheless, the election of an agent as the chief staff office of N.A.L.U. will leave the detractors hunting for some other argument and eliminate a source of possible influence over potential converts to their views.

Also significant is the fact that Mr. Imig was selected by a special committee that consisted entirely of general agents and managers. This fact, in itself, should serve to rebuke those who stridently argue that N.A.L.U. is being used as a means by which the companies exercise their influence to prevent the formation of an organization that would supposedly be more representative of the soliciting agent's interests.

If there are any in the business who are not familiar with Mr. Imig and his work in the N.A.L.U. they need look no further for recommendation than the committee that picked him and the careful, objective methods it employed. In the light of the system followed by the committee anyone could accept its choice with complete confidence even though

he had never heard the nominee's name.

The committee was fortunate in having as its vice-chairman Clancy D. Connell, general agent of Provident Mutual in New York City. Clifford H. Orr, National Life of Vermont general agent at Philadelphia and N.A.L.U. president, was chairman but Mr. Connell had the important job of spadework that went before a selection could even be deliberated upon. When Mr. Orr became ill at the midyear meeting of N.A.L.U. at Miami Beach even more of the load was thrown on Mr. Connell.

Mr. Connell had been chairman of the committee that picked the present president of Hamilton College, his alma mater, and of the committee that selected a superintendent of schools for Westfield, N. J., where he lives. He was not a new hand at picking the right

man for an important post.

Word quickly got around that selecting a successor to Mr. Rutherford was not going to be a popularity contest. By deciding in advance the qualifications it sought, the committee put itself in an excellent position to avoid over-enthusiasm and pressure, whether from the outside or within its own ranks. Every member had all the information about every one of the more than two dozen candidates. No choice was to be made except by unanimous verdict.

We wish Dick Imig all possible good fortune in his new and vitally important assignment. He can be counted on to bring to it a tremendous capacity for work, a likeable personality, unquestioned integrity, and a record for doing a tough job with consummate thoroughness and excellence.

PERSONAL SIDE OF THE BUSINESS

Raymond D. Parker, president of Parker-Allston Associates, the well-known insurance advertising agency, has been elected to the board of governors of Downton Athletic Club, New York.

L. Douglas Meredith, executive vice-president of National Life of Vermont, told a joint meeting of the Flint, Mich., civic research council, Civitan club and real estate board, that broad scale government subsidized housing is inadvisable because of the perils in the rising tax burden.

Harold Cummings, president of Minnesota Mutual Life, received a certificate of honorary membership in the Illinois Insurance Society of the University of Illinois College of Commerce, when he made the annual address to the society, on "It's Time to Sell Security."

Perry S. Bower, assistant general manager and treasurer of Great-West Life, was elected president of the Dominion Mortgage and Investment Assn. at its annual meeting.

Deane C. Davis, vice-president and general counsel of National Life, has been made a member of a state-wide committee to acquaint Vermonters with the findings and recommendations of the Hoover Commission on more efficiency and economy in the federal government.

Donald Spence, Massachusetts Mutual, Newark, N. J., was elected to the Jersey City commission government at last week's election.

W. J. Bryden, Jr., secretary-treasurer of Victory Life, Topeka, and Mrs. Bryden have returned from a vacation trip to Mexico City and other points in Mexico.

Former Senator **George Wharton Pepper**, general counsel and trustee of Penn Mutual, was given a testimonial dinner by a group of long-time friends in the company on his 50th anniversary with it. He was presented a leather-bound testimonial book and an inscribed silver tray. President John A. Stevenson paid tribute to his "wise counsel in the direction of Penn Mutual affairs and

in the development of our company's policies."

Franklin D'Olier, retired chairman of Prudential, is a member of a citizens committee formed to back Hoover commission recommendations to reorganize the federal government and save billions in taxes.

John P. Brion, publicity assistant, and **Robert Clark**, advertising assistant, Mutual Life of New York, became fathers last week. Mr. Brion now has a son and Mr. Clark a daughter.

DEATHS

S. Edward Long, retired superintendent of Prudential at Harrisburg, died at his home at 73. Mr. Long retired in 1945 after 27 years as superintendent.

G. C. Taylor, owner of the Kinston (N. C.) agency, died. He was a past president of the Lenoir County Life Insurance Assn.

Lt. Col. Otto H. Peterson, 29, Travelers, was killed when his plane exploded in mid-air and crashed about five miles north of Stillwater, Minn. He was commanding officer of a squadron of the Minnesota air national guard.

James G. Beman, an architect for Metropolitan Life, died at his home in Mount Vernon at the age of 67. He had been with Metropolitan Life 27 years.

William Carroll Hill, who had been Boston news representative of THE NATIONAL UNDERWRITER since 1917, died very unexpectedly May 11 from coronary thrombosis. He had kept up his keen interest in writing for both the insurance and genealogical fields to the last day.

Mr. Hill's association with THE NATIONAL UNDERWRITER started when he formed a partnership for furnishing news to insurance journals, with John Buchanan, another Boston journalist. Mr. Hill went with the "Standard" of Bos-

THE NATIONAL UNDERWRITER

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CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. George C. Roeding, Asso-

ciate Manager; George E. Wohlgenuth, News Editor; Roy Rosenquist, Statistician.

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KANSAS CITY 6, MO.—605 Columbia Bank Bldg. Tel. Victor 9157. William J. Gessing, Resident Manager.

MINNEAPOLIS 2, MINN.—558 Northwestern Bank Bldg. Tel. Main 5417. R. W. Landstrom, Resident Manager.

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ton in 1918 and for 15 years was its managing editor.

From time to time he contributed special articles to THE NATIONAL UNDERWRITER on such matters as compulsory automobile liability insurance and the savings bank life insurance plan of that state, and these were extensively circulated.

Mr. Hill graduated at Dartmouth in 1902. For about 10 years he was night city editor at Boston of Associated Press. From 1917 to 1924 he was executive secretary of State Pilgrim Tercentenary Commission. In 1925 he was president of International Skating Union of America, and he founded and was the first president in 1926 of Amateur Skating Union of the U. S. He was a pioneer in aviation and was one of the first members of Aero Club of New England and was its president several years.

For some time Mr. Hill had been editor, historian and recording secretary of New England History Genealogical Society. He was secretary of Bunker Hill Monument Assn., registrar of Sons of the Revolution and assistant treasurer of Society of Colonial Wars.

Richard A. Ryan, 85, vice-president and director of Western & Southern Life and with the company since 1910, when he became treasurer, died in Cincinnati after a two-month illness. He was the oldest living graduate of Xavier University. Prior to joining Western & Southern, he had been with several railroads. He became vice-president of Western & Southern in 1929. He was a brother-in-law of Charles F. Williams, president of Western & Southern.

Edmund T. Mimne, 66, assistant vice-president of New York Life, with which he was associated 51 years, died at his home in Queens.

Franklin Names Willsey in Indianapolis; Merritt at Colorado Springs

The recent appointment of C. R. Willsey as general agent of the south side Indianapolis agency of Franklin Life is the first step in an expansion program



C. R. Willsey



G. R. Merritt

planned by Regional Manager Ralph L. Colby. These plans include opening of three additional agencies besides the one headed by Mr. Willsey.

Mr. Willsey joined Franklin in 1946 after a year as an assistant superintendent of Prudential and four years with Pacific Mutual. Associated with him is his son, William D. Willsey.

Franklin Life has named G. Ralph Merritt as general agent at Colorado Springs. With a bachelor's degree in business administration, Mr. Merritt entered life insurance 16 years ago. For nine years he was with Prudential and for seven with Connecticut Mutual.

UOPWA Steps Up Pace

NEW YORK—At a meeting of the general executive board and the national insurance committee of United Office & Professional Workers of America, C.I.O., here, plans were made, according to the union, "for a full concentration of the union's resources to achieve bargaining agreements in John Hancock, Prudential and Metropolitan covering over 30,000 industrial insurance agents."

Wetterlund Reviews Ill. Legislation at Chicago Assn. Meet

Reviewing legislation pending in the Illinois legislature, Raymond J. Wetterlund, vice-president and general counsel of Washington National, told the Chicago Health & Accident Assn. at the annual luncheon meeting Tuesday the industry would go through any legislative investigation with flying colors.

Mr. Wetterlund noted the unauthorized service of process bills pending before the house and senate.

The slate of officers headed by John H. Campbell, Provident Life & Accident, which was previously reported as nominated were elected by acclamation. Irving G. Wessman, secretary Loyalty Group, and retiring president, was presented a gift. Date of the annual get-together was announced as June 14.

Charles B. Stumpf, vice-president of the national association, spoke briefly.

Fyke Eastern R. R. Head of Pacific Mutual Life

LOS ANGELES—Vernon Fyke has been appointed manager of the eastern division of the railroad department of Pacific Mutual Life in succession to Thomas O'Neil, who has gone with Illinois Bankers Life.

Mr. Fyke has been with Pacific Mutual since 1928, in claims work, but recently has been field supervisor at Oakland.

Utah Assn. Elects at Sales Congress

New directors were elected by the Utah Life Underwriters Assn. at the annual sales congress and meeting at Ogden. They were: Melvin James and Howard W. Ogden, Ogden; Theron Fotheringham, Harold M. Wright and H. P. Cannon, Salt Lake City for two year terms. Named to one year terms were Siles Sorenson, Provo; Eugene B. Lindquist, Logan; Everett VanGold, Salt Lake City, and C. Wayne Healy, Ogden. The directors will meet at a late date to name the association officers from their group.

Wendell F. Ogden, Ogden, was named chairman of the Utah State Quarter Million Dollar Round Table and Reed Gammell, Ogden was elected secretary-treasurer.

Speakers at the session were Harry Galarneau, field training supervisor, Metropolitan Life; Frank W. Bland, Pacific coast manager, National Underwriter Co.; Commissioner Terry of Utah; Walter Jones, Business Men's Assurance, Salt Lake City, and A. Wray Glenn, Metropolitan Life, Ogden.

N. J. Group Floor 25

Gov. Driscoll of New Jersey has signed the measure reducing from 50 to 25 the minimum number for group life coverage. This leaves Massachusetts, Ohio and Wisconsin as the only states left where 50 is the minimum, and there are bills in the current session at Ohio and Wisconsin to reduce the minimum to 25.

Seek Nominations for Award

The committee on the John Newton Russell Memorial Award for 1949 has mailed out the forms to secure nominations for the award. It will be presented at the Life Underwriters National Assn. convention in Cincinnati. Jul B. Baumann is chairman of the committee.

Pac. Mut. to Hold Regional Meet

Pacific Mutual Life is holding a regional meeting for agents at Oklahoma City, May 23. It will be conducted by the home office training school.



BANKERS LIFE celebrates 62 PROGRESSIVE YEARS



Again in 1949 Bankers Life of Nebraska fieldmen are participating in their traditional May Campaign—in observance of the Company's Anniversary Month. Now we are beginning our sixty-third year. We are starting it out with a "bang"—with an all out production effort that will make May, 1949, another record month in the Bankers Life tradition.



Bankers Life
INSURANCE COMPANY
OF NEBRASKA



Given competitive rates and plans, along with the utmost in service and security to his clients, an agent is entitled to expect from his Company a fair and liberal contract which will give him a permanent and vested interest in the business he writes.

This Company believes in and offers these things its exceptional progress is evidence of this belief.

Independence of action is fundamental to the American Agency System.

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Established 1906

WILLIAM ELLIOTT, President

• BERTRAM S. BALCH, Superintendent of Agencies

LIFE AGENCY CHANGES

Mitchell, Clotere Named Prudential Managers

Sidney V. Mitchell, Jr., has been appointed manager of Prudential's new Phoenix, Ariz., district agency. He joined Prudential in 1940 and became an assistant manager at Los Angeles in 1947 and in 1948 was the leading assistant district manager.

Gustave J. Clotere becomes district manager at Portland, Ore. He joined Prudential in 1929 at San Francisco and served as assistant manager there and at Berkeley.

Both men are naval veterans.

Home Life Designates Bolton Its Manager at Syracuse

William T. Bolton, field assistant in the home office, has been appointed manager of Home Life of New York at Syracuse. William B. Stark, former manager of the agency, continues as general agent for central New York.

Mr. Bolton joined Home Life in 1942 at Pittsburgh. He was formerly a sales supervisor in that district for Coca-Cola. He was appointed manager there in 1946. He was transferred to the home office in 1948. Mr. Bolton attended Penn State.

Hover to Salt Lake City for Bankers of Iowa

John B. Hover has been appointed Salt Life City manager for Bankers Life of Iowa, succeeding the late William A. Crowder. Mr. Hover will be installed at an agency meeting in Salt Lake City May 24 at which M. E. Lewis, superintendent of agencies, and R. H. Cherry, assistant superintendent of agencies for that district, will represent the home office.

Mr. Hover has been a district agent at Charleston, where he originally joined the company in 1940. He was away from the company 1944-48, serving as sales manager for an equipment engineering company.

Mr. Hover had two years experience in retail sales work, two years with the West Virginia water service, and four years as a supervisor of salesmen for a large bakery before joining Bankers Life. He is a graduate of the company's



John B. Hover

sales training schools and has qualified each year in an honor volume club.

Travelers Puts Dyslin in Dayton, O., Post

Travelers has promoted Ralph W. Dyslin, assistant manager at Chicago,

for two years, to manager at Dayton, O., to succeed L. F. Arvidson, who becomes an agency assistant at the home office.

Mr. Dyslin joined the company in Peoria in 1937 and was a field assistant and assistant manager there. He is a graduate of the University of Illinois.



R. W. Dyslin

Pacific Mutual Assigns Tomkin to Portland, Ore.

Pacific Mutual has named J. Royce Tomkin general agent at Portland, Ore. He has been with Pacific Mutual for several years as agent and supervisor in the Los Angeles area.

K. C. Life Puts McCready in Birmingham Post

Morris D. McCready, who was for some years general agent for Massachusetts Mutual at Wichita, has been named general agent for Kansas City Life in Birmingham. Mr. McCready started in the business in Kansas City with the Occidental about 16 years ago.

Lunsford in New Post

E. H. Lunsford, for some years Farmers & Bankers general agent at Emporia, has joined National Fidelity Mutual there as general agent. He is a past president of the Kansas Life Underwriters Assn. and has just completed a three year term as Kansas national committeeman.

Leslie L. Harms, Prudential, Shafter, Cal., has been promoted to assistant manager at Bakersfield. He joined Prudential in 1947 and transferred to Shafter last February. He was formerly with a Fresno insulation firm. He is an army veteran.

Blue Cross Head Assails Welfare State Propaganda

Proponents of compulsory health insurance, including Congressmen and other public officials, are using new low levels of propaganda in the "willful misrepresentation of the voluntary health plan," Dr. Paul R. Hawley, chief executive of Blue Cross and Blue Shield plans, charged at a luncheon in New York City of Associated Hospital Service. He said national Blue Cross enrollment is now more than 34 million, not the 27 million recently stated by a Senator, and the denied frequent inferences that Blue Cross pays only one-third of the cost of hospital care. Ninety per cent is much nearer the national average. Payroll deductions and employer contributions will pay no more than 40% of the cost of compulsory health insurance, and 60% will have to be paid for by increasing general taxation.

Ohio State Has Rally

With representatives from half dozen agencies in attendance, Ohio State Life held a meeting Monday at Granville, O. The speakers were Claris Adams, president, Warren F. Howe, superintendent of agencies, and Howard W. Kraft, agency secretary. Mr. Adams spoke on "Opportunities in Present Day Economic Conditions."

AGENCY NEWS

Eisendrath Top Producer in Drive for Weidenborner

Julius M. Eisendrath, manager for Guardian in New York City, led the company's entire field organization in personal production during the April campaign. This in honor of Agency Vice-president Frank F. Weidenborner's 25th anniversary with the company.

Ralph A. Trubey, manager at Fargo, N. D., placed second in volume and first in lives. Joseph Zamzok, New York City, placed third in volume and second in lives, and Geo. E. Hackmann of St. Louis finished third in lives.

Spaulder, Warshall & Schnur agency, New York City, was the leading agency. Boston led the eastern division; Atlanta led the southern division and Denver led the western division.

Agency Marks Anniversary

An open house and buffet supper were held by the Jamison & Phelps agency Northwestern Mutual, Chicago, in the agency quarters marking its fifth anniversary. General agents John H. Jamison, Jr., and Nelson D. Phelps welcomed about 150 persons, including special guests, the 56 full-time agents, many wives and the clerical staff. While Jamison & Phelps was formed only five years ago, the agency which they took over is observing its 90th anniversary.

Gross paid production of the agency under the new management in the five years has been \$70,807,107 or an average of about \$16 million a year.

Moore Beats Own Quota

In a drive to produce \$150,000 of written business during April, J. W. Moore, district manager of Mutual Life at Springfield, Mo., exceeded this goal by \$3,830. He produced 25 applications for a total of \$5,071 of premiums on an annual basis. He saw a total of 125 prospects, of whom he interviewed 78, his total interviews being 118. He spent 150 hours in the field, 75 hours in the office and 15 hours studying his cases. He spent a total of \$139 in newspaper, radio, direct mail and other advertising.

Mutual Life's April Leaders

The Los Angeles agency led Mutual Life in volume in April. Milwaukee was first in number of policies sold and third in volume. Grand Rapids was second in policies sold, and Charlotte, N. C., was second in volume and third in policies.

Hawaiian Agency Moves

Brainard & Black Ltd., Hawaiian agency of United States Life has moved to a new two-story building in Honolulu. The new quarters provide a central office on the first floor with agents' headquarters, conference rooms and accounting facilities on the second floor. The structure is equipped with air-conditioning and sound control systems. A parking area is also provided. The

WANT ADS

FOR SALE

Newly completed approximately 100 two-bedroom units apartment house project in finest residential section in Chicago. Very good return for large investor. \$300,000 cash required for equity. Address U-41. The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED

Ass't. General Agent for fine Eastern Company at Chicago. Am willing to pay \$7,000 to \$9,000 and commissions to right man. But he must know the "book". Prefer under 37, married. Address U-44. The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

SUCCESSFUL
Representatives
are
ANICO'S
first
consideration

Anico has the field program that builds men up and permits them to attain the success they want.

- ★ They have a contract that permits outstanding earnings.
- ★ They have a line of policies that meet the most exacting demands of the public.
- ★ They have sales-tested, practical selling AIDS that go right to the sales point.

"You Grow with Anico"

Anico builds successful men by providing all the factors needed to reach the peak in this profession.

AMERICAN NATIONAL Insurance Company

W. L. MOODY, JR., PRESIDENT GALVESTON, TEXAS

Look to the future

1 BILLION 800 MILLIONS OF LIFE INSURANCE IN FORCE

agency force.

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agency has \$33 million insurance in force.

Graham Hopkins & Associates of Lincoln National Life at Dayton, Ohio, are moving to larger and more attractive quarters in the new Talbott building.

Autna W. Stock, Wyoming general agent of Beneficial Life, has qualified for membership in the company's Multi-Millionaire Club, which now totals 21 members. To qualify, a man must have \$2 million of Beneficial Life business in force.

The **Miller agency** of New England Mutual held a breakfast meeting at Wichita during the annual meeting of the Kansas Life Underwriters Assn., with Frank M. See, St. Louis general agent, as guest of honor. Mr. See was a speaker before the sales congress that day and spoke at the Kansas Leaders Round Table dinner the evening before.

COMPANIES

Manhattan Agents Top Quota by 13% in Drive

Manhattan Life agents turned in a total submitted volume of \$6,807,315 on 891 applications during April to exceed the president's month quota by 13.4%. Charles Edwards, New York City general agent, announced the results to 115 qualifiers at a dinner in New York.

Peter Peyser, New York City, a member of the president's month committee, spoke as did Agency Vice-president V. W. Edmondson, President J. P. Fordyce and General Agents J. G. Ranni of New York and Max Harmelin of Newark.

The volume award winner was Patsy Criscuolo, Jr., Newark, runner-up being Rose Boyd, Los Angeles. Leader in number of applications was T. Lucile Salisbury, New York City, John S. LeGath, Westwood, N. J. being runner-up.

Four company-sponsored awards in agency production, offered on a divisional basis, were won by Los Angeles, Chicago; James G. Ranni, New York City, and Max Harmelin, Newark. The Schloen-Levey agency, Beverly Hills, won the J. P. Fordyce trophy.

Fifty-two personal producers won "Certificates of Dog House Clearance" for exceeding their quotas during President's Month.

Union Labor Joins ALC

Union Labor Life of New York has joined the American Life Convention. This brings the A.L.C. membership to 224.

Puerto Rican Record

The Puerto Rican insurance department has published figures showing that during the first quarter of this year, life insurance written totals \$4,577,043 as against \$4,220,565 during the same quarter of 1948. The life companies operating there are Atlantic Southern, Bankers National, Confederation, Crown, Equitable Society, Imperial, Jefferson Standard, Lincoln National, Manufacturers, Mutual Life, Pan-American, Sun Life, Travelers, Union Mutual and U. S. Life.

Establish Annual Award

The life insurance committee of the Los Angeles Chamber of Commerce has established an annual award to be given to an insurance man for public recognition other than professional. The trophy has been donated by the Title Insurance & Trust Co. The award will be known as the Will G. Farrell trophy in honor of the late Will G. Farrell, head of the House of Farrell, who was instrumental in founding the life insurance committee.

Chicago Claims Assn. Names G. M. Kae President

George M. Kae, Metropolitan Life, was named president of the Chicago Claims Assn. at the May meeting. Others elected were A. Robert Applequist, Beneficial Standard, vice-president; A. Gefinger, North American Accident, treasurer; J. V. Parker, United of Chicago, secretary; K. L. Merley, Federal Life, executive committee chairman and Wallace Graham, Hooper-Holmes Bureau, executive committee.

Goldstein Akron Head

A. S. Goldstein of Federal Life & Casualty was elected president of Akron Assn. of A. & H. Underwriters at the annual meeting. Vice-president is G. A. Kizer, Bankers Life & Casualty; secretary, Stanley Akers, Loyal Protective; treasurer, V. O. Skinner, Retail Credit Co. Twenty-three new members were added, bringing the total to 53.

The speaker was W. J. A. Jones, national executive secretary.

Third Generation in Wis.

Thomas I. Cress, whose initials purposely were selected to correspond with those of Time Insurance Co. of Milwaukee, has joined his father, Vic Cress, who operates the northern Wisconsin agency of Time. The company has been represented by the Cress family for more than 50 years, starting with Vic Cress' father. Vic Cress went with the organization at the age of 16.

W. C. Bacon Is Heard

Corpus Christi Assn. of A. & H. Underwriters heard William C. Bacon, San Antonio general agent for Occidental Life, speak on "Our National Health Program Organized or Socialized."

Back Hedges for NAAHU Treasurer

Bert A. Hedges, manager Business Men's Assurance, Wichita, and first president and organizer of the Kansas A. & H. Underwriters, has been en-

dorsed by the association for the new office of treasurer of the National Assn. of A. & H. Underwriters, which is provided for in a proposed amendment to the constitution to be voted upon at the coming national convention.

Baton Rouge Unit Formed

Curtis Reed of Metropolitan Casualty was elected president of the newly organized Baton Rouge Assn. of A. & H. Underwriters. Vice-president is L. F. Wakeman, Mutual Benefit H. & A., and secretary, A. R. Maxey, Metropolitan Casualty. Chairman of the executive committee is T. A. Wakeman, Mutual Benefit H. & A. The meeting was held in the office of Continental Service Life & Health.

Enters A. & H. Field

Bankers Security Life of Oklahoma City has entered the A. & H. field.

Mahoney Buffalo Speaker

Senator Walter J. Mahoney of Buffalo addressed the May luncheon meeting of Buffalo A. & H. Assn. on the recently-enacted state disability income law.

Jones to Talk in New York

New York City Assn. of A. & H. Underwriters will have Wesley J. A. Jones, executive secretary of National Assn. of A. & H. Underwriters, as speaker at the final luncheon of the spring season May 25.

Pass "Blue Cross Bill" in Okla.

A bill to regulate Blue Cross and similar organizations has been passed by the Oklahoma legislature.

The **West Michigan Accident & Health Assn.** elected Willis Settle president. Maurice Glaser is vice-president; R. L. Ritanich secretary-treasurer.

Elmer Henry, district manager Victory Life at Dodge City, Ia., has taken his second son Edwin into the agency. An older brother, Charles, is business manager and assistant district manager.

MANAGERS

Recruiting Toward Deadline Keeps Activity Systematic

Recruiting toward periodic deadlines through the year is a good plan for keeping this activity on a systematic basis, Robert K. Schott, manager Phoenix Mutual Life, Chicago, told the Chicago Life Supervisors Assn.

This plan ties in well with running schools at stated intervals. For example, the Schott agency recently started recruiting men for its July class.

Recruiting, said Mr. Schott, can be a leisurely job if it is done on a scientific basis, but if the manager waits until he is under pressure, it is a desperation job and he sacrifices quality for speed. The manager's recruiting presentation must be well organized and polished, both in what he says to the nominators of recruits and to the prospective recruits, themselves. He must have enough men to insure a reasonable selection. He must have a plan, according to territory, and even by years, as to how he will fill vacancies. This plan may be on the basis of the number of men, or desired production. He should also pay attention to the type of specialists he needs in his organization.

Mr. Schott said that about 40% of this year's production is coming from men who have been with the agency less than twelve months, hence it pays to make sure that recruiting is a scientific, polished, practiced process.

George L. Schomburg, Prudential, past president, presided in the absence of Arthur Johnson, Penn Mutual.

S. F. Managers Elect

Thomas G. Murrell, Mutual Benefit Life, San Francisco, has been elected president of the San Francisco General Agents & Managers Assn. He succeeds Gordon Hay, Mutual Life. S. C. Martin, National Life of Vermont, is vice-president and David M. Kamp, New England Mutual, secretary-treasurer. Newly elected directors are Bethel Walker, New York Life; Don W. Munro, Union Central and Mr. Hay.

The program of the Life Underwriter

SPOT NEWS

ABOUT OSICO OPPORTUNITIES

Osico men are currently receiving new sales aids and complete merchandising plans geared to present day selling conditions.

We believe in providing our men with up-to-the-minute printed sales helps for use in the presence of the prospect. These sales helps are designed to

- + AN UNUSUALLY COMPLETE LINE OF REVENUE POLICIES
- + SUBSTANDARD SERVICE
- + DISABILITY INCOME

- (1) Makes the sales presentation both simpler and more definite.
- (2) Add strong "eye appeal" to an interview.
- (3) Save the Field Man's time.
- (4) Aid him in prospecting by calling attention to specific needs "packages".

- + HEALTH AND ACCIDENT IN COMBINATION WITH LIFE
- + MERCHANDISING PLANS THAT "CLICK"
- + LIFE TIME COMPENSATION

THE OHIO STATE LIFE
COLUMBUS 15, OHIO

Write FRANK L. BARNES, 1st V. P. and DIRECTOR of AGENCIES

OSICO MEN ARE ... HITTING THE LINE IN '49

Training Council to establish courses in California was explained by E. L. G. council.

Seattle Life Managers Assn. heard Gilbert L. Schultz, general agent Standard Insurance, on the dangers of becoming too clever.

Pittsburgh Life Supervisors Club will hear a talk by Frank G. Whitbread, underwriting vice-president of Reliance Life, on Selection of Risks at its May 23 luncheon meeting.

Heads N. Y. Supervisors

Peter J. Lo Truglio, newly elected president of the New York City Life Supervisors Assn., has been active in production and supervisory work for Aetna Life in New York City for 20 years. He is now manager of the brokerage department of the L. W. Sechtman agency on East 42nd street.



J. C. Benson

Judd C. Benson, manager Union Central, Cincinnati, vice-president of the National Assn. of Life Underwriters, has been named chairman of its important committee on committees. This committee, first authorized by the trustees in 1946, does the preparatory work of soliciting, from committee chairmen and local, state and National association leaders, names of members qualified and willing to serve on standing and special committees. It has proved of untold value to incoming N.A.L.U. presidents and helps make it possible for committee plans and activities to be decided upon and set in motion early in the administrative year.



NEWS OF LIFE ASSOCIATIONS

Start Lining Up NALU Committees

Kan. Congress Pulls 500 to Wichita

The annual meeting and sales congress of the Kansas Life Underwriters Assn. drew a record attendance of nearly 500. Membership is at a new high of 621.

C. O. Braden, Equitable Society, Independence, was advanced from 1st vice-president to president, succeeding Rex Lear, Farmers Life, Salina. Keith Hayes, Mutual Life, Hutchinson, was advanced to 1st vice-president. Elliott Beldon, regional manager Franklin Life, Salina, becomes 2nd vice-president and Paul D. Raymond, supervisor National Fidelity, Manhattan, 3rd vice-president. Mr. Braden will appoint the secretary later. Mr. Lear was named national committeeman for a three-year term. Mr. Beldon is chairman of the 1950 annual meeting and sales congress, which probably will go to Salina.

Organization of new associations at Great Bend, Hayes, and temporary organization of the Ark Valley association at Arkansas City, whose charter is now pending, were announced.

Speaker was Commissioner Sullivan of Kansas, who was also a guest at the annual general agents and managers dinner at which Judd C. Benson, vice-president of N.A.L.U. and manager of the home office agency of Union Central spoke on "Building Agents' Prestige" with about 100 in attendance.

Leaders Group Meets

The Kansas Leaders Round Table, under Chairman Maurice R. Coulson, Penn Mutual, Wichita, heard Frank M. See, New England Mutual general agent at St. Louis, and a panel on "The Life Underwriter at Work", with Mr. Coulson as moderator and Ray T. Wright, Lawrence, national trustee; Mrs. Minna Hensley, Franklin Life, Salina; Paul Allen, Equitable of Iowa, Topeka; Mr. Hayes; Elmer Moore, New York Life, Wichita and Steve Epp, Penn Mutual, Newton.

Membership certificates were presented to some 70 who had qualified with at least a quarter million production.

An overflow crowd of over 500 attended the sales congress luncheon. Mr. Benson spoke on "Organizing for Action". He said that the Kansas association held the No. 1 spot in N.A.L.U. in percent of membership renewals for 1949.

Present Comedy Skit

George Maltby and F. H. Manning, Equitable of Iowa, Kansas City, presented their comedy sales skit, "So You Want to Buy, Eh." The closing speaker was John W. Lawrence, Prudential manager at Houston, who urged that better prospects be selected but that old policyholders not be neglected. He suggested a three-way quota, such as two apps a week, \$300 a week in premiums, and a named volume.

Clarence E. Tobias, Jr., Provident Mutual general agent at Norristown, Pa., gave his experiences in securing signed cards of introduction to prospects from clients he serves.

Mr. See closed the morning program on "Sales Objectives".

The Kansas association has set July 9 for a one-day training school at Emporia for local association officers, dispensing with the fall meeting previously held. Printed material and literature will be furnished by N.A.L.U. but the faculty will be selected from Kansas life men.

The annual life insurance marketing school sponsored by University of Kansas has been endorsed by the Kansas association. States participating also include Iowa, Nebraska, Missouri and Oklahoma. The dates are June 13-18. Daniel P. Cahill, director of the Purdue course, is in charge.

Bennett Heads Mo. Association

Richard Bennett, home office supervisor General American Life, was elected president of the Missouri Life Underwriters Assn. at the annual meeting at Kansas City. He succeeds Weldon Dillener, New York Life, St. Joseph.

Seth Turk, Equitable Society, Springfield, was elected 1st vice-president, and Wiley Craig, Aetna Life manager in Kansas City, was named 2nd vice-president. Adam Rosenthal, General American, St. Louis, continues as national committeeman. The new secretary-treasurer is William King, manager Fidelity Mutual, St. Louis.

The annual meeting was held in conjunction with a sales congress of the Kansas City association at which the speakers were Richard Craig, National Life of Vermont, Joplin; Dwight Teas, Aetna Life, Wisconsin Rapids, Wis.; B. N. Woodson, executive vice-president Commonwealth Life, and Ray T. Wright, Provident Mutual Life, Lawrence, Kan. Sam Pearson, Jr., Kansas City, was the moderator. The luncheon speaker for the congress was Clarence E. Tobias, Jr., Provident Mutual Life, Philadelphia, life member of the Million Dollar Round Table.

McCausland Named at Washington, D. C.

William J. McCausland, Acacia, was elected president of the Washington, D. C. Life Underwriters Assn. Other named were Charles P. Rice, Mutual Life, vice-president and Chester R. Jones, State Mutual, 2nd vice-president. A panel discussion on development of clientele was held.

Quincy, Ill.—Wesley W. Olson, Equitable Society was named president. Others elected were Kenneth Arrow-smith, Metropolitan Life, vice-president; Charles Parker, National Life & Accident, secretary; and Richard A. Schnack, Mutual Life, treasurer. Dr. Walter Stevenson, president of the state medical society, was the speaker.

St. Louis—W. Robert Moore, supervisor Provident Mutual, Decatur, Ill., addressed a luncheon meeting.

Mr. Moore has been associated with the Provident Mutual Life since 1938. He enlisted with the armed services in 1941 and five years later was mustered as a captain. He served in the Office of Strategic Services. He was a member of the 1948 and 1949 Million Dollar Round Table, and is a life member of the Illinois Round Table.

Hamilton, Ont.—First annual public relations dinner held, with prominent representatives of Hamilton's educational, religious and business life as guests. Featured speaker was A. Gordon Nairn, vice-president Life Underwriters Assn. of Canada.

Evansville, Ind.—Dewey Smith, Prudential, was named president at the monthly meeting. Others elected were Hiram L. Logsdon, vice-president and E. E. Verdon, secretary-treasurer. William King, general agent Fidelity Mutual Life at St. Louis spoke.

Durham, N. C.—Thomas E. Dudley was elected president. Other officers named were John H. Clayton, vice-president, and Floyd Rhodes, secretary-treasurer.

Gastonia, N. C.—Odell McGinnis was elected president. Other officers elected were J. Y. Todd, vice-president; E. L. House, secretary-treasurer.

Northwest Kansas—Harry Lucas, Metropolitan, Salina, spoke on "What the Prospect Thinks of the Life Underwriter in 1949."

Manhattan, Kan.—Paul D. Raymond, National Fidelity Life, was elected president; Fred M. Huey, vice-president, and Richard O. Donham, American United, secretary. Edward Booth was named national committeeman and Charles S. Cowell, state committeeman.

Jersey City—The following have been nominated as officers for Hudson County: President, Carl Herzog, Prudential; executive vice-president, Nicholas Trerotola, Metropolitan Life; educational vice-president, Israel Siegel, Metropolitan; public relations vice-president, Al E. Banese, John Hancock; treasurer, John D. Stuffle, Prudential; secretary,

Why IT PAYS TO REPRESENT CROWN LIFE

Crown Life is a modern, forward-thinking company. It keeps pace with the times. It meets changing conditions promptly. Crown Life has more to offer, with policy plans and benefits "modernized" to meet today's needs.

CROWN LIFE

Established 1900

INSURANCE COMPANY

Home Office
Toronto—Canada

The Crown Life is now licensed to operate in
Alaska — California — Hawaii — Idaho —
Indiana — Louisiana — Michigan — Minnesota —
Missouri — New Jersey — New Mexico —
North Dakota — Ohio — Texas —
Washington.

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DALLAS

Richard A. Bormida, Metropolitan; financial secretary, Joseph Wasserman, Massachusetts Mutual.

Directors for three years: William Ritchie, Metropolitan; William Sullivan, Prudential; Joseph Bain, John Hancock, and Bernard Kahn, Metropolitan. Directors for two years: Julius E. Bader, Prudential, and Herbert Markindorf, Metropolitan. The annual meeting will be held next month.

Northern Montana—G. P. Cole, Great Falls, talked on the railroad retirement act.

Arizona—Donald O. Cramer, regional manager for Prudential in the 11 western states and Hawaii, addressed the May meeting in Phoenix.

Jackson, Mich.—James M. Keplan, Grand Rapids manager for Bankers Life

of Iowa, said that agents should concentrate on successful people who have achieved some improvement in their financial positions.

Topeka—Elmer Henry, district manager Victory Life at Dodge City, was the speaker.

St. Louis—George C. Smith, president St. Louis Chamber of Commerce, addressed a luncheon meeting of the women's division on the economic outlook.

Montreal—Frank L. McFarlane, Northwestern Mutual, Cleveland, spoke on "Client Building Methods That Work."

Lansing—John D. Marsh, general agent of Lincoln National at Washington, D. C., discussed estate planning.

Pittsburgh—Homer C. Chaney, director of agencies New England Mutual, spoke on "The Future We Build Today."

partner in Brown Brothers Harriman & Co. He was formerly Assistant Secretary of War for air and Under-Secretary of State.

On Executive Committee

John Hancock board has appointed Clyde F. Gay, general agency vice-president, and Ross E. Moyer, underwriting vice-president, to the executive committee.

R. S. Williamson, director of sales promotion and advertising of Occidental Life of North Carolina, has resigned to join the Piedmont Advertising agency, Salisbury, N. C. The agency will handle the advertising of Occidental.

charge of the life insurance education work among new agents.

Mr. Kaeser graduated in January from University of Wisconsin. He has specialized in the study of statistics. He is a naval veteran. He will be available to assist agents with their estate planning cases and to go out in the field with them, if desired.

Managers of Equitable Society Hold Annual Meet

About 75 managers and general agents of Equitable Society and their wives met with President Thomas I. Parkinson and other home office executives for the annual meeting of Equitable's managerial association at Atlantic City. The group has been meeting at the Marlborough-Blenheim hotel for 44 years, starting with the first year the hotel was opened.

Mason Granted Fellowship

Arthur W. Mason, Jr., has been granted the Huebner Foundation for Insurance Education fellowship at the University of Nebraska for 1949-50. He is insurance department head of the University of Denver.

AMONG COMPANY MEN

Midwestern United Names Grissom President's Aid

Midwestern United Life of Ft. Wayne has named Donald B. Grissom assistant to the president. He has been with Southern National of Little Rock as vice-president and chief underwriter.

Mr. Grissom entered the home office of Southern National in 1936 following attendance at the University of Arkansas. He joined the army as a private and was discharged as a captain after two years with the third army. Mr. Grissom rejoined Southern National after the war. He is a fellow of the Institute of Home Office Underwriters and Life Office Management Assn.



D. B. Grissom

Prudential Names Turpin Western Training Manager

E. Richard Turpin, assistant manager Prudential at Long Beach, has been appointed manager of field training at the western home office. He joined Prudential in Oklahoma City in 1942 and became assistant manager there in 1944, transferring to the training department of the home office in 1946. In 1948 he was named assistant manager at Long Beach. He attended William and Mary College.

von Pein Sales Director

Henry vonPein, who started with Travelers in 1937 on the group sales staff, and who more recently has been

home office representatives at Houston for State Mutual Life, has been appointed sales director for American Hospital & Life of San Antonio.

Arvidson, Krapels Go to Travelers Home Office

Travelers has promoted Leroy F. Arvidson, manager at Dayton, O., to home office agency assistant and Fred C. Krapels, district group super-



F. C. Krapels



L. F. Arvidson

visor at Toronto for two years, to assistant superintendent of group sales.

Mr. Arvidson joined Travelers in 1935 as field assistant at Peoria. In 1939, he was appointed assistant manager there and in 1944, was named manager at Dayton. He is a graduate of Oberlin College.

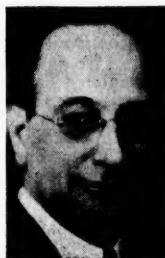
Mr. Krapels has been with Travelers since 1929 as a group service representative at Montreal, field assistant there and at Toronto, and assistant manager at Toronto and was appointed district group supervisor.

Penn Mutual Ups Huttinger

E. Paul Huttinger, 2nd vice-president and in charge of training for Penn Mutual Life, has been elected secretary of the company. He succeeds, on June 1, John A. Mayer, who is resigning to become president of Reliance Life. He has been with the company 46 years, starting in the underwriting department.

After studying law at Temple University and being admitted to the bar, he was in charge of the company's tax matters and for almost twenty years has directed Penn Mutual's field training activities. He was appointed assistant to the agency vice-president in 1929, agency secretary in 1934 and was elected 2nd vice-president in 1941.

The auditing and budgeting procedures of the Penn Mutual will also be under Mr. Huttinger's supervision.



E. P. Huttinger

Lovett on N. Y. Life Board

Robert A. Lovett has been elected a director of New York Life. He is a



"I've got these other expectant fathers interested in more life insurance . . . tell my wife to hold everything for awhile!"

Bankerslifemen Stay on the Job

Because prospects may be anywhere, Bankerslifemen really stay on the job—but we must admit we don't know any of them who are working maternity ward corridors.

The typical Bankerslifeman does know that he has a full line of contracts to meet varied life situations and has been trained to use them properly. He knows that wherever he finds a prospect he has a valuable property to offer. He has been learning from his first days in his agency office about the special values in Bankers Life contracts and how to apply them. His knowledge is increased constantly under careful field supervision and through a series of home office conducted schools.

This continuous alertness for opportunities where life insurance can serve well is just one characteristic which makes the typical Bankerslifeman the kind of life underwriter you like to know as a friend, fellow worker or competitor.

BANKERS Life COMPANY
DES MOINES

COMPLETE PERSONAL INSURANCE COVERAGE

- LIFE • HEALTH
- ACCIDENT
- HOSPITALIZATION
- MEDICAL and SURGICAL REIMBURSEMENT
- GROUP • FRANCHISE
- BROKERAGE
- REINSURANCE

"REGISTERED POLICY PROTECTION"

REPUBLIC NATIONAL LIFE INSURANCE COMPANY

THEO. P. BEASLEY, President

DALLAS, TEXAS.

Harrington to Top in H. & A. Conference

(CONTINUED FROM PAGE 1)

insurance and there is no need for governmental interference, Commissioner Larson of Florida, president of N.A.I.C. declared in speaking on "National Health by Compulsion." He analyzed the dangers and shortcomings of President Truman's health message which he described as "one of the more momentous documents of our times."

He said, however, that the threat of

compulsory health insurance will diminish if the A. & H. companies take steps to meet some of the criticisms leveled against them, including limitations and exclusions, misleading advertising, misleading statements by agents, which he regards as primarily a matter of education, and denial of claims on technical grounds. Conditions in all the respects have improved but there is still more

SELLING "INFORMATION...PLEASE"!



All right, Mr. Patzman.
You had your hand up first.

Q. what's the secret of success in programming?

A. "That's easy, Professor. General American Life's exceptionally complete line of 'special need' contracts, plus varied and liberal settlement options, make it possible for me to offer life insurance programs that fit the need perfectly. We have a contract to fit every situation."

Mr. Patzman should know. He sells on a program basis exclusively and his far above average volume represents an average size policy of \$12,036. Having the tools to do a job properly is a large part of life underwriting success.



THERE'S SUBSTANTIAL MONEY To Be Made Even in a Small City Through Our General Agent's Contract

Attractive General Agency Territory Open to Experienced Men in —
OHIO INDIANA MISSOURI ARKANSAS IOWA
KENTUCKY MISSISSIPPI LOUISIANA

For full information write to
J. DeWITT MILLS, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street-Arcade Bldg. Allen May, President. St. Louis 1, Mo.

that can be done.

W. G. Caples, manager of industrial relations of Inland Steel Co., who was formerly with the legal departments of both Continental Casualty and National Casualty, told why employers prefer private insurance to compulsory government insurance. In addition to opposing the general theories on which government insurance is based, such as the idea that it can "tell you what is best for your well-being," the lack of the profit incentive in its operations and the violation of the basic idea that the state is the servant of the people rather than the people being the servants of the state, he mentioned several specific points which make private insurance greatly preferable.

In the first place, with a private insurer the employer knows what the cost will be and that certain benefits are guaranteed by that cost. He can then determine what he can afford to buy. Expert service is available to provide the greatest possible protection. If a change seems desirable, by phoning the home office it can be made effective in 15 minutes, as contrasted with the red tape that would be involved in government operation. It has flexibility, which a government plan would not, and changes can be made to changing conditions. Claim handling is important and the worth of the protection may depend to a considerable extent on the promptness with which claims are paid.

Another important factor is that private insurance keeps the premium dollar working. Industrial concerns depend very largely on insurance companies for the money to provide new tools and new plants, which would not be available if the premiums were going to the government.

Rathje Hails Reaction

Frank C. Rathje, nationally known Chicago banker, said that while business activity just at present is on the decline, it constitutes a post-war reaction that is overdue and is to be welcomed. A recession has been defined as a switch from abnormal to more normal conditions and a depression as a move from normal to subnormal. He regards the present move as definitely in the former class. He is not at all pessimistic about business at present. There is no prospect of a business collapse, but plenty of signs of enduring financial strength.

Blanchard Talks on Ratios

Ralph H. Blanchard, professor of insurance at Columbia University, speaking on "Ratios," said that in themselves ratios are meaningless, but they are inherently dangerous because of the tendency of lazy, biased, poorly-equipped minds to make unwarranted inferences from them.

His talk was based quite largely on the new policy experience exhibit which the companies are required to file this year. He emphasized the greater accuracy and reliability of the ratio of incurred losses to earned premiums as against losses paid to premiums written, illustrating by both combined and individual company experience.

He said the requirement as to commission and expense reporting is very uncertain and showed the possible variations due to different commission bases or classes of business written.

Great Day for Selling

"How much of a selling job do we have ahead of us unless we want to see a type of medical care passed off on the American public such as that being dispensed in England today?" John W. Saylor, vice-president of Business Men's Assurance, asked in opening his talk on "It's a Great Day for Selling" at the Wednesday session.

He admitted that it is a big job but expressed confidence that the average American will continue to buy the best product that is offered to him at the best price, if it is properly presented and properly sold and said the business has an unbeatable sales team in a skilled

sales force, a loyal and well trained home office staff and its millions of policyowners, who Mr. Saylor said, expect to be treated as people and not as a hole in a Hollerith card in a government office. He outlined the part each has to play.

The agent is discovering today that before he can sell his prospect a policy, he must sell the principle of privately owned and individually planned insurance, Ver Lynn Sprague, merchandising consultant of Gourfain-Cobb advertising agency said. The railroads discovered years ago that before you can sell a man a ticket for a train trip, you needed to sell him travel by rails, and in the same way, the insurance salesman must sell his prospect on insurance before he can be sold a particular policy, but this type of broader selling cannot be left to the individual agent or even to the individual company. It is a matter of industry-wide consideration, he declared.

Hubbard Blasts FTC

Moses G. Hubbard, counsel Commercial Travelers Mutual Accident Assn., vigorously denounced the federal trade commission's activities looking toward regulation of the mail order insurance business. He predicted that the proposed code to regulate mail order insurers would be the means of giving the FTC power to regulate policy provisions, claim practices, finances, and financial obligations, and that this presents a most serious problem, not just to the mail order companies, but the entire insurance industry.

Mr. Hubbard also criticized the National Assn. of Insurance Commissioners' unauthorized insurers service of process model bill, saying that the problem of dealing with mail order insurance had been blown up out of all proportion to its extent and seriousness. He also denounced the "continuing attempt of the federal government to take over the business of private insurance and to operate it from Washington," referring to the Wagner-Murray-Dingell bill.

The American Medical Assn. is not fighting the battle alone against President Truman's compulsory health insurance program, Dr. Ernest B. Howard, A.M.A. assistant general manager, told the conference. He said that the dangers of the program were its political implications, the enormous and incalculable cost of this compulsory plan, its harmful effect on the doctor-patient relationship when doctors would become clerks and patients numbers, and socialized medicine as the stepping stone to losing our liberty and our greatness.

Knowlton Gives Talk

Apparently there will be very little to come before the A. & H. committee of N.A.I.C. at the June meeting at Seattle, Commissioner Knowlton of New Hampshire, chairman of that committee, said. Neither of the subcommittees, those on standard provisions and minimum benefits, has had any meetings. Downey of California, chairman of the latter committee, has stated that he was too busy with legislation in his home state, including his own minimum benefits bill, but expects to get busy some time in the fall.

Mr. Knowlton commented briefly on the fair trade practice rules to be taken up by FTC at its coming hearing and urged that the industry give them the most serious consideration. When they go into such matters as financial condition of a company, policy forms and failure to pay claims, he said that comes very close to constituting federal regulations.

Former Senator Burton K. Wheeler of Montana, who was originally scheduled to speak Wednesday but had said he could not make it and was replaced by Everett Dirksen, former Illinois congressman, found he could make the trip after all and spoke Tuesday afternoon on the Washington picture and world affairs.

E. H. O'Connor, Insurance Economics Society, reviewed the legislative

May 20, 1949
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situation in Washington and the various states.

The session was closed Wednesday afternoon with a memorial to Harold Gordon, with R. J. Wetterlund, Washington National, and G. F. Manzelmann, North American Accident, as the principal speakers.

Moorhead Discusses Compensation

E. J. Moorhead, executive vice-president of United States Life, gave a summary of the results of a survey on A. & H. compensation methods of life companies made by the Life Insurance Agency Management Assn. These showed the extent to which non-level compensation plans have been adopted in which there is a higher first year commission followed by lower renewals. Mr. Moorhead also gave several suggestions based on life company experience that might be of interest to an A. & H. or casualty company taking up the question of revising its compensation contracts.

Kristensen Is New Head of N. Y. State Agents Unit

(CONTINUED FROM PAGE 2)

the film is John J. Sutton, Guardian Life, Oneida, an association member.

David B. Flugelman, Northwestern Mutual, New York City, presented a long brief dealing with the problem of unincorporated business tax in New York state which has been a problem to many life agents. Application of the unincorporated business tax has been both applied and waived, depending upon information submitted to the state tax authorities. The brief submitted by Mr. Flugelman was drawn by certified public accountant and held that the unincorporated business tax was not applicable to the individual life agent.

Mr. Flugelman was unanimously endorsed for re-election as N.A.L.U. trustee at the Cincinnati meeting next September. He is past president of the New York City and New York state associations.

Donald F. Barnes, Institute of Life Insurance, was a guest, and submitted a new public relations program for their consideration.

A dinner honoring Mr. Myrick was attended by his close friends and associates.

N.A.I.C. Special Assured

The Chicago, Milwaukee, St. Paul & Pacific Railroad has now secured enough reservations from Chicago to Seattle for the commissioners' meeting to justify running an extra train, and this special equipment will leave Chicago June 23 at 11 a. m. central standard time and is scheduled to arrive at Seattle 4 p. m. June 25. The arrangements are being handled by Glenn Hyett of the Milwaukee Road at Chicago.

Fiquet Moved to St. Joseph

Prudential has opened a detached agency office at St. Joseph, Mo., with William T. Fiquet as assistant manager in charge. It will operate as a branch of the Kansas City agency. During the war, Mr. Fiquet served in the navy. He joined the Kansas City agency in 1947.



EMPIRE LIFE and ACCIDENT INSURANCE COMPANY

Legal Reserve Company
Home Office—Empire Life Bldg.
Indianapolis 9, Ind.
41 Years of Satisfactory Service to our Policyholders.
MILLIONS PAID TO POLICYHOLDERS AND BENEFICIARIES
JAMES M. DRAKE, President

Lawyers, Agents, Trust Men Need Unified Approach

B. Franklin Bills, sales consultant, advised those attending the eleventh anniversary luncheon of Chicago Life Insurance & Trust Council, that from an impartial vantage point he has observed that there is far less cooperation between life insurance men, trust officers and attorneys than public service demands. He admitted that in some cities the cooperation is better than others, citing Cincinnati and New York as laudable examples, but indicated that in all places, a better job could be done.

What he advised, first of all, is for the insurance men, the trust officers and the lawyers to get together and define functions. For example, Mr. Bills feels that the trust man has little place in an estate that will be less than \$250,000. In the smaller cases, the insurance man, through the medium of annuities and life insurance, aided perhaps by some legal advice, can adequately plan an estate. On the other hand, he said for an estate above this mark, the insurance man who pretends he can handle it alone will be doing his client a disservice. The life insurance man cannot know tax and legal situations, problems of joint tenancy, etc. The insurance man who pretends that an annuity can do all the things that a trust can do for a substantial estate is indulging in wishful thinking, he said.

Having once established areas of operation and division of authority, Mr. Bills envisioned the creation of a central clearing house for estate matters, with perhaps an executive secretary the local life insurance and trust council channeling and apportioning business to members in all three categories.

The speaker, who has himself been a life insurance salesman, lawyer, trust officer, mortgage banker, real estate broker and professor did not concentrate his criticism on any one category. He said that neither the lawyer, trust officer nor insurance man can pretend to be a specialist in all fields. He advised the insurance member of the trio not to play the big shot salesman who forgets the importance of the technical men. He commented that lawyers often do not know when to keep their mouths shut in an insurance and trust case, erroneously assuming that their law degree qualifies them as specialists in the other men's fields.

All Three Should Plan the Act

He suggested that the men in the three categories get together before dealing with a client, decide what each man is to say and when he is to say it, so that no one of the group is refuting what the others have to say and each man handles the particular province which he is equipped to handle and no more. Thus the insurance agent, the lawyer and the trust officer are able to present a solidarity to the client that puts him at ease and keeps him from procrastinating on the grounds that even the experts don't know what they're talking about.

Vital too is the realization by all parties that estate agreements never achieve perfection. This will avoid the common annoyance caused by attorneys who insist on rewriting every instrument they come across with a great increase in procrastination, which is the greatest enemy in the picture.

Mr. Bills indicated that the arrangement between the three professions should be reciprocal; that is that each person should get in the habit of referring further business to his colleagues in the other lines.

He advised both the insurance people and the others that their sales approaches and their advertising should not be too heavily institutional. He said that legal banking or insurance language, which is not understood by the average layman, should be carefully avoided. Often the simple story is not

told and he asked why he has never read in an advertisement something like this: "If you have a \$400,000 estate, it is liable upon your death to assorted taxes totaling \$150,000. By the combined talents of the trust man, the lawyer and the insurance man, \$55,000 of that tax can quite probably be conserved for you."

Dr. Morden Mass. Mutual Ass't Medical Director

Dr. J. R. Erskine Morden, formerly engaged in clinic practice at Brantford (Ont.) Clinic, where he was in charge of the department of pediatrics and obstetrics for three years, has been appointed assistant medical director of Massachusetts Mutual.

Following his internship at Ottawa Civic Hospital and Sarnia General Hospital, he entered general practice at Florence, Ont., in 1939. He joined the Brantford Clinic in 1941 and the following year entered the Canadian army as a captain and served overseas.

Dr. Morden attended Walkerville Collegiate Institute. In 1938, he graduated from Queen's University medical school at Kingston, Ont. He was chief of staff of the obstetrics department at Brantford General Hospital.

Schrivver Headliner at Shenandoah Life Rally

Shenandoah Life is holding its agency convention at Roanoke this week with Lester O. Schrivver, Aetna Life general agent, Peoria, as principal speaker.

On Thursday afternoon agents visited the new home office building under construction. President Paul C. Buford was host at a reception and banquet that evening.

On Friday, there will be a bus trip to Natural Bridge and bingo.

Mr. Schrivver speaks at the Saturday breakfast.

Franklin Enters Maryland

Franklin Life has opened operations in Maryland. An agency will soon be established in Baltimore. The company now operates in 40 states, the District of Columbia and Hawaii.

J. A. Appleman Slated

John Alan Appleman of the law firm of Noel & Appleman of Urbana and Rantoul, Ill., will be one of the speakers at the annual meeting of Federation of Insurance Counsel at Moraine hotel, Highland Park, Ill., Aug. 8-10, his subject being "Insurance and Estate Planning."

Selling Plus Agency Building Leads to Successful Careers

By G. G. LAMAR, Superintendent of Agencies

I KNOW many hundreds of men making a fine living selling life insurance, and I know a lot of others whose personal production isn't as great but who have just as big incomes. This latter group are successful organizers who have built agencies.



At Reliance, when we find men who can start other men in the business, we give them District Managers' contracts. Quite a number of these men have built million dollar agencies in the past few years.

A good personal producer depends a lot upon his health for his continued success. In this respect the District Manager has an advantage, as has been frequently proven, since the income from his agency goes on even if he himself is unable to keep up his personal production.

In the past year we have developed many aids for District Managers in the hiring and training of men. Our District Managers find success easier to achieve with this help.

RELIANCE LIFE
INSURANCE COMPANY OF PITTSBURGH

FIELD OFFICES: Asheville • Atlanta • Baltimore • Birmingham • Charleston • Charlotte • Chattanooga • Chicago • Cincinnati • Cleveland • Detroit • Harrisburg • Houston • Jacksonville • Johnston • Los Angeles • Louisville • Martinsburg • Memphis • Miami • Minneapolis • Nashville • Norfolk • Philadelphia • Pittsburgh • Richmond • St. Louis • San Antonio • San Francisco • Seattle • Tampa • Washington, D. C.

Sales Ideas and Suggestions

Canadian Fraternal Rally

The annual meeting of Canadian Fraternal Assn. will be held at St. Andrews-by-the-Sea, New Brunswick, June 27-29. Speakers will include H. L. Guy, Mutual Life of Canada and newly-elected president of Canadian Life Officers Assn. and Samuel Eckler, actuary Independent Order of Foresters.

The Heart of Fraternal Life Insurance

Fraternal life insurance, as provided by Royal Neighbors of America, has a heart. For example:

In a small town in the far west a 15-year-old girl was injured seriously when a motorcycle and truck collided. Because the accident involved a financial hardship on the girl's family, the medical and hospital expenses which followed were paid by the Royal Neighbor camp of that community in the amount of \$248.65.

This assistance, given to a girl who was not a member of the society, graphically exemplifies the fraternal principles that have been practiced by the members and camps of Royal Neighbors of America for 54 years.

ROYAL NEIGHBORS OF AMERICA

SUPREME OFFICE, ROCK ISLAND, ILLINOIS

A LEGAL reserve fraternal life insurance society for all Lutherans on 3% American Experience reserve basis. Thirty-one years old — \$252,984,452.00 in force. Mortality experience 1948 24.44%. Rate of assets to liabilities—108.56%.



Our representatives' new contract, with retirement program, has been enthusiastically received by our field force. You, too, will be interested.



Address your letter of inquiry to
THE SUPERINTENDENT OF AGENCIES

LUTHERAN BROTHERHOOD

LEGAL RESERVE LIFE INSURANCE FOR LUTHERANS

Herman L. Ekern, President
608 Second Ave. So., Minneapolis 2, Minnesota

Suggests Will Provision to Protect Owner of Policy on Another's Life

Where persons owning an insurance policy on another's life predeceases the insured the policy owner's executor may be faced with difficult problems as to how to treat the insurance policy as an estate asset. V. R. Booth, counsel New England Mutual Life, said at the recent meeting of the Assn. of Life Insurance Counsel. Most if not all of these problems can be solved by an appropriate provision in the policy owner's will, he said, though even lawyers skilled in the preparation of wills and trusts may not have the background of insurance practices necessary to qualify them for the task.

The provisions to be incorporated in the will must of necessity vary, depending on the powers which the testator wishes to give the executor with respect to the policy, he pointed out, but said such a provision might be framed in the following language, though it should be emphasized that each will must be drawn in the light of the particular circumstances existing in that case:

Suggested Test

"If at the time of my death I am the owner of any policy of life insurance on the life of any person other than myself, whether such policy is payable to my executor or to some other beneficiary named therein, and such policy does not by its terms provide otherwise, my executor shall have full power and authority to pay any premium falling due thereon prior to his final discharge as such executor; to execute any automatic premium loan agreement with respect thereto or elect that any automatic premium loan provision thereof be effective and to cancel any such agreement or provision in effect with respect thereto at the time of my death; to borrow money for the purpose of paying any such premium, either from the company issuing such policy or from any other source, and to assign such policy as security for such loan; to exercise any option contained in such policy with respect to any dividend or share of surplus apportioned thereto; to elect any paid-up insurance or extended term insurance non-forfeiture option contained in such policy in the event that in his discretion he determines not to pay any premium falling due thereon and the beneficiary or beneficiaries named therein fail to pay such premium within the grace period for payment thereof; to surrender such policy, or to take any necessary action to make said policy payable to my executor if such surrender or change of beneficiary is necessary to provide funds for the payment of my debts, inheritance or estate taxes levied on my estate or expenses of administration thereof, or to borrow money for such purposes and to assign such policy as security for any such loan; and if any such policy is bequeathed herein to any person other than the beneficiary named in such policy to take any necessary action to make said policy payable to such legatee.

"If any such policy is payable to my executor or is made payable to him as hereinbefore provided and becomes due and payable prior to his final discharge by reason of the death of the person on whose life such policy was issued, my executor shall have full power and authority to collect the proceeds thereof or to elect any optional method of settlement contained in the policy or permitted by the company issuing the policy; and if any such policy so payable does not become due and payable prior to such discharge and is not specifically bequeathed hereby, my execu-

tor may transfer and assign such policy in distribution of my residuary estate to the person or persons entitled thereto, allotting the policy in payment of any share thereof. For the purposes of such allotment and distribution, my executor may determine the value of such policy and may in his discretion apply to the company issuing such policy to exchange the policy for two or more policies in such varying amounts as may facilitate such distribution.

"All of the powers herein granted may be exercised by my executor without applying to any court for authority so to do. Any and all decisions made by my executor in good faith to exercise or to refrain from exercising any such powers shall be conclusive upon all parties in interest. No company issuing any such policy shall be required to ascertain whether any action taken by my executor with respect thereto is authorized under the provisions hereof and no such company shall be required to see to the application of any money paid to the executor with respect to such policy."

Mass. Mutual Group Man Sets Up Base in Newark

William W. Van Horn, group supervisor in the New York City area for Massachusetts Mutual has established headquarters in Newark in the Raymond-Commerce building.

He entered insurance in 1941 with Travelers.

A 1941 graduate of Cornell, he served overseas in the air force in the war.

Query Stirs Up Sales of Farm Mortgage Cover

Though sales resistance is increasing, general agent Ferrel M. Bean of John Hancock in Chicago has found that there is less increase in mortgage insurance than in any other field. One reason seems to be that there is a definite and known liability to be met in case of the property owner's death.

Mr. Bean has found a good market exists among farmers for mortgage re-employment insurance.

One approach that he has used successfully in working with his agents in rural territories is to ask the farmer, "You've got a \$9,000 mortgage. How would you like it if it were \$18,000 and you were not able to work?"

"What do you mean?" the farmer usually asks.

Mr. Bean then explains that what he has been describing is the situation the farmer's family would face in the event of the farmer's death. The usual basis for farming on shares is 50% to the tenant and 50% to the owner. Hence, if the owner were not present, the family would be faced with a \$9,000 mortgage, but only half the farmer's income, since the other half would go to the tenant for working it.

Mutual Life Top Agents

Martin P. Kennedy, of the Scranton agency of Mutual Life, led all producers in April. Second was Sam S. Herwitz, of Cincinnati. A. B. Waggoner, of Nashville, led in number of paid applications with Samuel J. Levine, of Chicago, second.

LIFE INSURANCE WITH ACCIDENT · HOSPITAL · DISABILITY FEATURES

NEW!

New rate book — new policies — new riders, new sales aids — new agent's contract — new agent's pension plan — open up new horizons with an organization that is moving ahead in the right direction.

Inquiries invited

Fidelity

LIFE ASSOCIATION

FULTON, ILLINOIS

PROTECTED HOME CIRCLE

SHARON, PA.

FOUNDED IN 1886

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary
SHARON, PA.

Study A. & H. Commissions

(CONTINUED FROM PAGE 2)

is reflected in the premium which must be charged.

5. Revision of agents' compensation is not so much a matter of taking the traditional plan and embellishing it with some frill, as it is getting down to bedrock in our thinking and building a plan which fits our circumstances.

6. Inter-company pooling of ideas and experience through committee study and trade association surveys can be immensely valuable. Collection of statistics and other inter-company information is not a violation of the Sherman anti-trust act, provided there is never any agreement between companies to act in any particular way on the information assembled.

Mr. Moorhead said in instituting its compensation plan changes, the life companies' watchword has been "Pay the man for doing what you want him to do." While this is a logical and sensible guidepost, he said that perhaps a few companies have taken it too literally and developed compensation plans which in the all-out effort to accomplish this worthy objective are overly complex and lacking in understandability and flexibility.

Negative Rule

He said maybe it would have been better to express this maxim in a negative way: "Be sure that you do not pay him for doing the things that you do not want him to do." The positive expression not only invites development of plans which are too complex, but tempts the company to expect too much from its compensation plan as a substitute for adequate supervision and motivation, he said, whereas the negative form of expression emphasizes that the thing to be avoided is to have the compensation plan pulling your man in a contrary direction from that which he ought to be traveling.

600 to Attend Regional Rallies of Great-West

More than 600 will attend the Great-West Life's regional conventions in June.

The first of two conventions will be at Minaki Lodge, Minaki, Ont., for the western region, June 14-17. The eastern meeting will be June 23-26 at Manoir Richelieu, Murray Bay, Que.

An added feature at this year's convention will be leaders' conferences for two days prior to the conventions. Those whose production during the 14-month convention qualification period was outstanding will attend.

Holgar J. Johnson, president Institute of Life Insurance, and J. Gordon Nairn, executive vice-president of Life Underwriters Assn. of Canada, will be speakers at Murray Bay and Minaki respectively. H. W. Manning, vice-president and managing director of Great-West, will address both convention. D. E. Kilgour, assistant general manager and superintendent of agencies, will be general chairman.

H. J. Harris, Ottawa, led all agents in the qualifying period, with more than \$1 million of new business. W. J. Hopwood, Winnipeg, was second and Robert M. Hirsch, Chicago, placing third, led the United States field force. Earl M. Schwemm's Chicago agency provided the largest number of qualifiers from any American branch and Winnipeg, under J. N. Connacher, led the Canadian branches.

Rhodes W. Va. Head

New officers of West Virginia Assn. of Life Underwriters are: C. D. Rhodes, Bluefield, president; Ralph M. Dunsmore, Fairmont, vice-president, and W. Osborne Coffey, Parkersburg, secretary-treasurer. Ross Davis of Wheeling is the retiring president.

N. Y. Life Advances Four Officers

Richard K. Paynter, Jr., has been designated financial vice-president of New York Life and David C. Bevan has



R. K. Paynter



D. C. Bevan

been elected treasurer. Mr. Paynter was vice-president and treasurer and Mr. Bevan was an assistant vice-president.

John H. Lane and A. H. Thiemann



John H. Lane



A. H. Thiemann

become assistant vice-presidents. Mr. Lane was director of branch office administration and Mr. Thiemann was assistant secretary in charge of public relations.

Imig Acting Headquarters Chief of N.A.L.U.

(CONTINUED FROM PAGE 1)

qualifying member of the Wisconsin Quarter Million Dollar Round Table and this year completes requirements for his senior Nylic.

Prominent in community and civic affairs, he is a director of the Sheboygan Rotary Club, a "colonel" in the Sheboygan County Welfare Fund, and membership chairman of the Sheboygan recreation department's community players, of which he is a member of the cast.

Henderson Advises Iowans to Be Program Specialists

Arwood Henderson, assistant superintendent of agencies of Aetna Life, told those at the first annual sales congress of Iowa State Life Underwriters Assn. at Des Moines that there is so much to learn for the life agent that he should specialize in some one branch. As a field for specialization, Mr. Henderson suggested programming. He said that simple, logical programming with a canned sales talk that gives the agent a track to run on may be applied to the greatest number of people.

Herbert Hedges, general agent of Equitable of Iowa at Kansas City, said that while this is a different selling era today than it was a year ago, there is still plenty of money. He said, for example, in 1948, \$500 million more war bonds were purchased than were cashed in, and savings banks have shown an increase in deposits.

Sherman O. Schumacker, Provident Mutual, Akron, emphasized the importance for the life agent of forgetting himself and doing as much as he can for the other fellow. He said that prospects can tell when the agent is genuinely interested in their welfare.

Koch Heads Neb. Assn.: Miller Round Table Chief

Milton Koch, general agent of Northwestern Mutual Life at Omaha was elected president of the Nebraska Life Underwriters Assn. at the annual meeting at Omaha. Other officers are John Carr, Omaha, state manager Equitable Society, 1st vice-president, and Virgil R. Morris, Guarantee Mutual, Grand Island, second vice-president. O. R. Frey, general agent Bankers Life of Nebraska, Lincoln, was appointed secretary-treasurer by Mr. Koch. W. A. Fraser continues as national committee-man.

Wilbur Miller, Equitable Society, Lincoln, was elected president of the Nebraska Round Table. D. J. Stavland, Mutual Life, was elected secretary-treasurer.

Speakers at the sales congress were K. C. Fitch, New York Life, Wichita, member Million Dollar Round Table, and Newell C. Day, general agent of Equitable of Iowa at Davenport.

St. Louis Has Tax Forum

The economic and tax forum sponsored by the St. Louis Corporate Fiduciaries Assn. and the St. Louis Life Insurance & Trust Council drew an audience of several hundred. Ray E. Flint, John Hancock, was general chairman. James S. McClellan, the St. Louis lawyer, talked on the 1948 revenue act, particularly discussing the marital deduction. The respective advantages of life insurance settlement options and trusts were debated in a panel discussion, conducted by Joseph T. Peterson, manager of Guardian Life and president of the St. Louis Life Underwriters Assn. Other members were N. H. Burghelm, Northwestern Mutual, W. E. Rench, National Life of Vermont, president of the St. Louis C.L.U., R. N. Arthur, secretary Mercantile-

Commerce Bank & Trust, and F. A. Sheppard, counsel and assistant vice-president, St. Louis Union Trust.

At the dinner, William King, manager Fidelity Mutual Life was toastmaster. The speaker was Gideon Seymour, vice-president and executive editor of the Minneapolis "Star" and "Tribune." He discussed world conditions.

VFW Post Lauds Ecker for Housing Developments

Members of New York City Post 505, Veterans of Foreign Wars, presented Frederick H. Ecker, chairman of Metropolitan Life, with a bronze medallion and copy of a resolution expressing the post's appreciation of the services rendered by the company in providing "adequate modern housing at moderate rentals" for veterans and the city at large.

The resolution commends not only Mr. Ecker, but the officers and directors of the company; George Gove, 3rd vice-president in charge of housing projects; and Frank C. Lowe, manager of administration. Mr. Ecker expressed deep appreciation at the action taken by the post. The resolution will be submitted for adoption at the state encampment of the V.F.W. at Saranac Lake in June.

Lee V.-P. of U. S. Chamber

Laurence F. Lee, president of Peninsular Life, has been elected a vice-president of U. S. Chamber of Commerce. He has long served as a director.

The A. V. Youngman agency of Mutual Benefit Life in New York City will hold its annual outing May 27, at Canoe Brook Country Club, Summit, N. J. All members of the agency and guests from the home office will be present.

A philosophy that works...

The continuing advancement of the essential interests of its field underwriters is fundamental in Equitable Life of Iowa operations.

Scientific selection, progressive and thoughtfully planned training, and an amplitude of field tested sales aids, are integral parts of a development program the merit of which has become more apparent annually.

As a natural result, Equitable of Iowa field underwriters are noted for the effectiveness of their services and held in ever-increasing esteem by prospects and policyholders.



Equitable Life of Iowa

Founded in 1867 in Des Moines

Detroit Life Insurance Trust Council will hold its spring meeting May 23. Edward L. Weber, of the law firm of Dickinson, Wright, Davis, McKean & Cudlip, will discuss the tax effects of underwritten stock purchase and stock redemption plans.

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Bassford Scores "Insurance" as Name for Welfare Plans

NEW YORK—In his presidential address at the final meeting of the Actuarial Society of America, Horace R. Bassford, vice-president Metropolitan Life, emphasized that the most serious task and responsibility before life actuaries today lies in helping to clear up the confusion that has been created in the minds of the public by agitation for more and better social security benefits, "misnamed insurance."

"The prestige of the word 'insurance' has been used as a camouflage to press welfare schemes which bear little relationship to insurance," he said.

"We should emphasize that insurance is intended to cover serious losses sustained by an individual. It is not a device for the government to distribute relatively inexpensive goods and services, such as drugs and routine medical care for short-term illnesses, to people who are able to pay for them out of their income. We should point out, too, that these goods and services while not very costly to the individual may, nevertheless, cost billions in the aggregate."

"We should further stress that the insurance principle is not appropriate for contingencies whose outcome is subject to some factor which can be controlled or influenced by the insured himself to the degree possible in certain forms of medical and preventive care. One of the greatest dangers to the continuation of the progress our country has made lies in the expansion of government welfare activities and of pension programs beyond the ability of our economy to support."

"The best efforts of the profession will be required to give effective guidance in that area of the field of labor relations in which pension and other employee benefits have recently acquired great weight. Equally difficult problems confront us without respect to government pensions and the broadening of social security benefits."

Mr. Bassford expressed confidence that the new Society of Actuaries created by the merger of the Actuarial Society of America and the American Institution of Actuaries would provide the profession with the organization necessary to tackle these difficult problems.

Urges More Attention to Loans for Small Houses

Increasing attention should be given to the financing of small and lower-cost houses, an area which embodies the real heart of the housing problem, said L. Douglas Meredith, executive vice-president and finance committee chairman of National Life of Vermont, at the annual meeting of the National Assn. of Mutual Savings Banks, at Washington, D. C.

The solution of this problem, said Mr. Meredith, requires not only the production of houses at lower costs, but also all possible reduction in the handling costs on small loans, so that they will be more attractive to lenders. Why not, he suggested, figure escrow items, such as taxes and insurance in even dollars instead of dollars and cents, thus eliminating thousands of bookkeeping operations in the course of a year? Closing costs should not escape continuous scrutiny for often they impair the cash position of the borrower, while high foreclosure costs in some states impose restraints upon free movements of capital from territory to territory.



L. D. Meredith

Hire Young College Men, Spence Urges

INDIANAPOLIS — Taking sharp exception to the widespread current philosophy in the life insurance business of recruiting only older men as agents, Eber M. Spence, vice-president of American United, told a joint meeting of the Indianapolis managers association and C. L. U. chapter that emphasis on men is usually a result of emphasis on volume.



Eber M. Spence

"The young man just off the college campus won't write a million in his first year," he declared, "but if you are building solidly for the future and for continuity of service to the public, you will adapt your recruiting, training, and supervisory facilities to attract and hold a fair proportion of such men."

Key to Professionalism

"It is definitely established that the young man can be trained and matured in business; and he should form the backbone of any agency which sees that the common objective of home office, field management, and agents is spreading the services of life insurance so widely that insurance by bureaucrats will be less attractive to the American public than insurance by private enterprise."

Mr. Spence declared that the young man is the key to professionalism in the business. "By the time the young

physician, for instance, sets up practice, he has had six to eight years of academic indoctrination. From the time he was 18 or so, the ideals of his business have been pounded into his thinking. He eats, sleeps, and breathes his work."

"We need the same type of indoctrination of men for true professionalism in the life insurance business," Mr. Spence said. "On the average, it is impossible for the older recruit, the man with 10 years or so of experience in another type of work, to become so imbued with life insurance that he will have the same attitude toward it as does the man who has concentrated on it since youth."

Colleges, he said, are beginning to offer professional training in life insurance. "If we in the business adopt the attitude that the only good recruit is the man 10 or more years out of college, schools are going to lose fast the interest in academic education for life insurance that we have fought so long to instill among them," he warned.

Lea Heads Chicago Selectors

The item in last week's issue reporting the election of Arthur Lea of Country Life as president of the Chicago Home Office Life Underwriters Assn. incorrectly stated in the headline that the new president was G. A. Wolf. Mr. Wolf, who is with Continental Assurance, was elected vice-president.

Seek Va. Exam Law

RICHMOND—A proposal that all life agents be required to take a comprehensive examination before being licensed was made at a public hearing here. The suggestion was one of nine presented to an advisory legislative council committee studying insurance laws.

FIDELITY

THE COMPANY BACK OF THE CONTRACT



BALANCE SPEEDS PROGRESS

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A life insurance institution to move forward must have similar balance . . . in background, in present performance, in plans for the future.

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Some Facts About HIGH BLOOD PRESSURE

BLOOD PRESSURE rises when a person is active. After the strain has passed, the pressure generally returns to its regular level. If it is persistently and excessively above normal, however, that condition is called hypertension—or high blood pressure. This affects the circulatory system and may lead to serious conditions of the heart, brain, and kidneys.



High blood pressure itself is not a disease, but a symptom of some underlying disorder. Medical science is constantly increasing its knowledge of this condition, and is striving for improved methods of treating it. Special diets have sometimes proved effective. In a limited number of cases, surgery has been used. Additional research is concentrating on mental and emotional factors. There is also hope that newly discovered drugs may prove beneficial.



Periodic physical examinations help reveal hypertension early, when doctors say that chances for control are best. Such checkups may also discover possible infections which may be causing the condition.

As a result of physical examinations, the doctor may make suggestions for improving your health, such as eating wisely and *keeping weight down*. The latter is especially important, for high blood pressure is more than twice as common among fat people than it is among persons of normal weight.



In many high blood pressure cases, the best "medicine" is often simply *moderation in every physical and mental activity*. The patient may be advised to work and play at a slower pace, to avoid emotional strain, and to get plenty of rest and sleep. This helps to lessen the demands on the circulatory system, and may lower blood pressure.



Today, under good medical guidance, the outlook for people with high blood pressure is better than ever before. By carefully following the doctor's advice, they can often avoid complications and look forward to long, useful lives.

• • •

Aiding in the development of more effective measures to help combat high blood pressure is the Life Insurance Medical Research Fund, supported by 148 Life Insurance Companies. This fund is making grants for research in diseases of the heart and blood vessels, including high blood pressure.

For more information, send for Metropolitan's free booklet, 00-X, entitled, "Your Heart." This contains many facts about high blood pressure and diseases related to the heart.

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Metropolitan Life Insurance Company

(A MUTUAL COMPANY)



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A statement of interest to the head of every family

by **JOHN F. CUNEO**

President, The Cuneo Press

"ONLY one father in twenty, according to reports I have read, feels he has enough life insurance.

"That re-emphasizes for me the importance of having a program of life insurance. For that's the only way every policy can be made to do its best for the family.

"The first thing to remember in building an effective program is to avoid random purchases of protection.

"Then whatever life insurance you can afford—old or new, large or small—may be studied in terms of the contribution it makes to an over-all, well-knit plan. That, you will find, is both good strategy and good business!"



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The calibre of its agents is one reason nearly half the new life insurance issued by this company goes to present policyholders.

For a thorough review of your life insurance program, you will do well to call upon an agent of the Northwestern Mutual.

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MILWAUKEE, WISCONSIN

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